



Burdekin Shire Council

AGENDA

ORDINARY COUNCIL MEETING

**HELD AT COUNCIL ADMINISTRATION BUILDING,
145 YOUNG STREET, AYR**

on 22 May 2018

COMMENCING AT 9:00AM

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Burdekin Shire Council

TUESDAY 22 MAY 2018

ORDER OF BUSINESS:

ITEM	PRECIS	PAGE
1	PRAYER	1
2	DECLARATIONS OF INTEREST	1
3	MINUTES AND BUSINESS ARISING	1
3.1	Ordinary Council Meeting Minutes - 8 May 2018	1
3.2	Ayr Aerodrome Advisory Group Meeting Minutes - 21 February 2018	19
3.3	Burdekin Senior Advisory Group Meeting Minutes - 11 April 2018	24
3.4	Burdekin Shire Youth Council Meeting Minutes - 23 April 2018	28
3.5	Community Grants Panel Meeting Minutes - 8 May 2018	31
4	REPORTS	34
4.1	Capital Projects Report for Period Ending 30 April 2018	34
4.2	Operational Monthly Report for Period Ending 30 April 2018	43
5	GOVERNANCE	60
5.1	Lease Expiry - Term Lease 236669 - Bojack Road Industrial Area	60
6	ENVIRONMENTAL AND HEALTH SERVICES	63
7	CLIENT SERVICES	63
8	FINANCIAL & ADMINISTRATIVE SERVICES	63
9	OPERATIONS	63
10	TECHNICAL SERVICES	63
10.1	Adoption of Council's Strategic Asset Management Plans	63
11	PLANNING & DEVELOPMENT	238
12	COMMUNITY DEVELOPMENT	238



Burdekin Shire Council

13	ECONOMIC DEVELOPMENT	238
14	NOTICES OF MOTION	238
15	CORRESPONDENCE FOR INFORMATION	238
16	GENERAL BUSINESS	238
17	CLOSED MEETING ITEMS	238
18	DELEGATIONS	238

1 PRAYER

2 DECLARATIONS OF INTEREST

3 MINUTES AND BUSINESS ARISING

3.1 Ordinary Council Meeting Minutes - 8 May 2018

Recommendation

That the minutes of the Ordinary Council Meeting held on 8 May 2018 be received and confirmed.



Burdekin Shire Council

MINUTES

ORDINARY COUNCIL MEETING

**HELD AT COUNCIL ADMINISTRATION BUILDING,
145 YOUNG STREET, AYR**

on 08 May 2018

COMMENCING AT 9:00AM



Burdekin Shire Council

TUESDAY 8 MAY 2018

ORDER OF BUSINESS:

ITEM	PRECIS	PAGE
ATTENDANCE		1
1	PRAYER	1
2	DECLARATIONS OF INTEREST	1
3	MINUTES AND BUSINESS ARISING	1
3.1	Ordinary Council Meeting Minutes - 24 April 2018	1
3.2	Burdekin Shire Youth Council Meeting Minutes - 26 March 2018	2
3.3	Community Grants Panel Meeting Minutes - 10 April 2018	2
3.4	Local Disaster Management Group Meeting Minutes - 20 April 2018	3
4	REPORTS	3
4.1	Council Workshops - April 2018	3
5	GOVERNANCE	4
5.1	Operational Plan 2017/2018 - End of Third Quarter Report	4
6	ENVIRONMENTAL AND HEALTH SERVICES	4
6.1	Making of Local Law No. 8 (Waste Management) 2018	4
6.2	Clare Transfer Station and Dalbeg Waste Service	5
6.3	Lower Burdekin Water - Request to Waive Landfill Charges	6
7	CLIENT SERVICES	6
8	FINANCIAL & ADMINISTRATIVE SERVICES	7
8.1	Adoption of Non-Current Asset Accounting Policy	7
8.2	Adoption of 2018-2019 Revenue Policy	7
9	OPERATIONS	8
10	TECHNICAL SERVICES	8

Ordinary Council Meeting 08 May 2018



Burdekin Shire Council

10.1	Repair Works - Ironbark Creek Bridge	8
11	PLANNING & DEVELOPMENT	8
11.1	Proposed Burdekin Shire Local Government Infrastructure Plan (LGIP) - Burdekin Shire IPA Planning Scheme	8
12	COMMUNITY DEVELOPMENT	10
13	ECONOMIC DEVELOPMENT	10
14	NOTICES OF MOTION	10
15	CORRESPONDENCE FOR INFORMATION	10
16	GENERAL BUSINESS	10
16.1	Letter of Request - Continued Government Funding - Chaplaincy in Schools Program	10
16.2	Request - Change Queen Street Fountain to Red - Remembrance Day 2018 - 9 to 11 November 2018	11
16.3	Request - Change Queen Street Fountain to Purple - Raise Awareness of Domestic and Family Violence Prevention Month - May 2018	11
16.4	Request – Update Toilet Signage for Visually Impaired	11
17	CLOSED MEETING ITEMS	11
18	DELEGATIONS	12
17.1	Edwards Street Drainage Upgrade	12
17.2	Sale of Land	13
16	GENERAL BUSINESS	14
16.5	Attendance at QFES Scenario Planning Workshop - 14 to 15 May 2018 - Brisbane	14

ATTENDANCE

Councillors L.A. McLaughlin (Mayor), J.T. Bonanno (Deputy Mayor), E.J. Bawden, A.J. Goddard, U.E. Liessmann, S.P. Perry and J.F. Woods

Mr. T. Brennan - Chief Executive Officer
Mr. N. O'Connor - Director Corporate and Community Services
Mr. D. Mulcahy - Manager Environmental and Health Services
Mrs. K. Olsen - Manager Financial and Administrative Services (part of meeting)
Mr. W. Saldumbide - Manager Operations
Mr. S. Great - Manager Planning and Development (part of meeting)
Mr. K. Byers - Manager Technical Services

Minutes Clerk - Mrs. S. Saunders

1 PRAYER

The meeting prayer was delivered by Father Sibichan Kaippanlackal of the Ayr Catholic Church.

2 DECLARATIONS OF INTEREST

The Mayor called for declarations of interest.

Councillor Bonanno declared a perceived Conflict of Interest relating to Item 3.3, Community Grants Panel Meeting Minutes, as he has an interest in Clause 2, Consideration of Applications for Burdekin Junior Eisteddfod Inc. Councillor Bonanno advised of his intentions to leave the meeting when this item is discussed.

3 MINUTES AND BUSINESS ARISING

3.1 Ordinary Council Meeting Minutes - 24 April 2018

Recommendation

That the minutes of the Ordinary Council Meeting held on 24 April 2018 be received and confirmed.

Resolution

Moved Councillor Woods, seconded Councillor Liessmann that the recommendation be adopted.

CARRIED

3.2 Burdekin Shire Youth Council Meeting Minutes - 26 March 2018

Recommendation

That the minutes of the Burdekin Shire Youth Council Meeting held on 26 March 2018 be received and adopted.

Resolution

Moved Councillor Bawden, seconded Councillor Perry that the recommendation be adopted.

CARRIED

It was noted that with regard to Clause 8 Proposed Volunteers Expo, Sunday 27 May 2018, this activity will be postponed until further notice.

Councillor Perry congratulated the Burdekin Shire Youth Council members on facilitating the successful Fast Track event at the Burdekin Theatre recently.

9.06am – Councillor Bonanno left the meeting due to a perceived Conflict of Interest in relation to Item 3.3 as disclosed at the start of the meeting.

3.3 Community Grants Panel Meeting Minutes - 10 April 2018

Recommendation

That the minutes of the Community Grants Panel Meeting held on 10 April 2018 be received and adopted.

Resolution

Moved Councillor Perry, seconded Councillor Goddard that the recommendation be adopted.

CARRIED

9.09am - Councillor Bonanno returned to the meeting.

3.4 Local Disaster Management Group Meeting Minutes - 20 April 2018

Recommendation

That the minutes of the Local Disaster Management Group Meeting held on 20 April 2018 be received and noted.

Resolution

Moved Councillor Goddard, seconded Councillor Woods that the recommendation be adopted.

CARRIED

4 REPORTS

4.1 Council Workshops - April 2018

Executive Summary

The Council conducted workshops during the past month on 3 and 17 April 2018 with a range of policy and operational issues discussed.

A brief summary of the items discussed at the workshops is contained in the report.

Recommendation

That the report on the Council workshops held on 3 and 17 April 2018 be received and noted.

Resolution

Moved Councillor Woods, seconded Councillor Goddard that the recommendation be adopted.

CARRIED

5 GOVERNANCE

5.1 Operational Plan 2017/2018 - End of Third Quarter Report

Executive Summary

The Operational Plan 2017/2018 End of Third Quarter Report has been compiled for Council in accordance with requirements of the *Local Government Regulation 2012*. The third quarter report captures activities performed between 1 January 2018 and 31 March 2018 and uses a traffic light system to provide an “at a glance” overview of progress towards achieving the targets set in the adopted operational plan. A number of Community Development Activities have been transferred to the Tourism section following the appointment of a new Tourism Officer.

Recommendation

That Council received the Operational Plan 2017/2018 End of Third Quarter Report.

Resolution

Moved Councillor Bonanno, seconded Councillor Bawden that the recommendation be adopted.

CARRIED

6 ENVIRONMENTAL AND HEALTH SERVICES

6.1 Making of Local Law No. 8 (Waste Management) 2018

Executive Summary

Council has completed its consultation process with regard to its proposal to make Local Law No. 8 (Waste Management) 2018.

In accordance with Council’s adopted local law making process Council may now resolve to proceed with the making of, and actually make, the proposed local law.

Recommendation

Council resolves—

- (a) to note that Council has consulted with relevant government entities about the overall State interest in Local Law No. 8 (Waste Management) 2018; and
- (b) to implement the recommendations of the Public Interest Test Report about Local Law No. 8 (Waste Management) 2018; and

-
- (c) to make Local Law No. 8 (Waste Management) 2018 as advertised but amended by the inclusion, in the Dictionary, of the definition **domestic clean-up waste** means non-putrescible, dry and inoffensive waste, other than green waste or recyclable waste, produced as a result of a clean-up of domestic premises; and
 - (d) to note that Local Law No. 8 (Waste Management) 2018 contains anti-competitive provisions.

Resolution

Moved Councillor Goddard, seconded Councillor Woods that the recommendation be adopted.

CARRIED

6.2 Clare Transfer Station and Dalbeg Waste Service

Executive Summary

After finding the Clare Transfer Station underutilised by the community likely due to reduced hours and services, Council conducted a 4 month trial to measure the feasibility of allowing the Clare site to run on an unmanned basis. Dalbeg was also provided with a 15m³ skip bin for hard waste for the duration of the trial. The trial indicated that the service is being used by residents.

Recommendation

It is recommended as follows:

Clare Transfer Station

1. Council continues to run the Clare Transfer Station in an unmanned capacity.
2. Weekly inspections continue to monitor usage of the facility and tidy the area when required.
3. Additional publicity and educational material be provided to residents to inform them of correct disposal and obligations for use of the site; that the use of the site will be monitored; and that incorrect use or abuse of the site will cause the Council to review the services provided.
4. Permanent signage to be installed to replace temporary corflute signage.
5. Ground maintenance to be arranged by Council on an as needed basis.
6. The addition of a cardboard bin service.

-
7. Investigate and report back on the proposal to repair the bin bay at the facility to allow a 30m³ RORO bin to replace the 15m³ skip bin for hard waste.

Dalbeg

8. The hard waste bin at Dalbeg remains in place with permanent signage installed.

Resolution

Moved Councillor Liessmann, seconded Councillor Perry that the recommendation be adopted.

CARRIED

6.3 Lower Burdekin Water - Request to Waive Landfill Charges

Executive Summary

Council has received advice from Lower Burdekin Water (LBW) that they had to relocate 10 loads of waste which had been dumped on one of their inside channel banks off Old Wharf Road, Airdmillan by a member of the public. The loads were taken to the Kirknie Road Landfill. LBW are now requesting if Council can grant any concession on the fees payable in the circumstances.

Recommendation

It is recommended that in respect of waste taken to the Kirknie Road Landfill on 11 April 2018 by Lower Burdekin Water, Council agrees to write off unpaid invoices totalling \$10,451-60 and refund an amount of \$2,754-15 on the grounds that the waste was used by Council for an operational purpose at the landfill.

Resolution

Moved Councillor Woods, seconded Councillor Goddard that the recommendation be adopted.

CARRIED

7 CLIENT SERVICES

8 FINANCIAL & ADMINISTRATIVE SERVICES

8.1 Adoption of Non-Current Asset Accounting Policy

Executive Summary

Under the *Local Government Act 2009* (the “Act”) and *Local Government Regulation 2012* (the “Regulation”), Council is required to prepare its general purpose financial statements in compliance with Australian Accounting Standards and to value its non-current physical assets using the prescribed accounting standards for Council’s asset register. These requirements are covered in this policy.

A Non-Current Asset Accounting Policy is attached for consideration and adoption.

Recommendation

That Council adopts the Non-Current Asset Accounting Policy as attached to the report.

Resolution

Moved Councillor Bawden, seconded Councillor Perry that the recommendation be adopted.

CARRIED

8.2 Adoption of 2018-2019 Revenue Policy

Executive Summary

Under the *Local Government Act 2009*, Council is required to prepare, and by resolution, adopt a revenue policy for each financial year.

The policy identifies the principles Council intends to apply in relation to levying rates and charges, granting concessions for rates and charges, recovering overdue rates and charges and cost-recovery methods.

A draft revenue policy for 2018/19 is attached for consideration and adoption.

Recommendation

That Council adopts the 2018/2019 Revenue Policy as attached to the report.

Resolution

Moved Councillor Woods, seconded Councillor Goddard that the recommendation be adopted.

CARRIED

9 OPERATIONS

10 TECHNICAL SERVICES

10.1 Repair Works - Ironbark Creek Bridge

Executive Summary

Contractor engagement for repairs to Ironbark Creek Bridge.

Recommendation

That Council resolves to engage Civil Plus to complete repairs to Ironbark Creek Bridge on a cost plus basis.

Resolution

Moved Councillor Perry, seconded Councillor Liessmann that the recommendation be adopted.

CARRIED

11 PLANNING & DEVELOPMENT

11.1 Proposed Burdekin Shire Local Government Infrastructure Plan (LGIP) - Burdekin Shire IPA Planning Scheme

Executive Summary

After being reviewed by Councillors, Council sent the Proposed Local Government Infrastructure Plan (LGIP) to the Minister for the first State Interest Check, and undertake Public Consultation in accordance with the *Sustainable Planning Act 2009*. Council delegated authority to the Chief Executive Officer to consider and make amendments addressing any conditions imposed by the Minister at the first State Interest Check, or as a result of submissions received during the Public Consultation. The document has now completed the first State Interest Check and Public Consultation and this report seeks Council's endorsement of the Proposed LGIP to proceed to second State Interest Check.

Recommendation

That Council:

1. Proceed with no changes to and endorse the proposed Local Government Infrastructure Plan for the Burdekin Shire IPA planning scheme ('LGIP'), LGIP Checklist and LGIP SOW Excel Model prepared in accordance with the Statutory Guideline for LGIPs and section 2.4B.1 Steps 1 to 6.4 of Statutory Guideline 01/16: Making and amending local planning instruments ('Statutory Guideline 01/16').
2. Resolves to comply with section 2.4B.1 Step 6 of Statutory Guideline 01/16 and for this purpose authorises the Chief Executive Officer as Council's delegate to comply with section 2.4B.1 as follows:

For Step 6.6 of Statutory Guideline 01/16, in accordance with the Statutory Guideline for LGIPs:

- (a) engage an appointed reviewer to conduct a second compliance check of the proposed LGIP,
- (b) give to the appointed reviewer, in accordance with the statutory guideline for LGIPs:
 - (i) an electronic copy of the proposed LGIP (and a hard copy if requested by the reviewer) that clearly identifies any changes, if applicable, that have been made to the proposed LGIP since the review in step 4
 - (ii) the completed checklist
 - (iii) where proceeding with changes under step 6.5(b), a summary of matters raised in the properly made submissions and how the local government dealt with the matters
 - (iv) confirmation that the local government does not believe the proposed LGIP is significantly different from a version which has undertaken public consultation and that additional public consultation under step 6.3 has been undertaken, if applicable
 - (v) a copy of any condition imposed by the Minister under step 4.3(b), if applicable, and
 - (vi) any supporting information as stated in the statutory guideline for LGIPs.

For Step 6.10 of Statutory Guideline 01/16, after completion of the second compliance check, and receiving information under step 6.9, the local government must, in accordance with the statutory guideline for LGIPs:

- (a) write to the Minister seeking approval to adopt the proposed LGIP and proceed to step 8, and
- (b) give to the Minister:
 - (i) an electronic copy (mandatory) and a hard copy (optional) of the proposed LGIP, that clearly identifies any changes, if applicable, that have been made to the proposed LGIP since the review in step 4
 - (ii) the checklist completed by the appointed reviewer
 - (iii) the written statement prepared by the appointed reviewer
 - (iv) where proceeding with changes under step 6.5(b), a summary of matters raised in the properly made submissions and how the local government dealt with the matters
 - (v) confirmation that the local government does not believe the proposed LGIP is significantly different from a version which has undertaken public

-
- consultation and that additional public consultation under step 6.3 has been undertaken, if applicable, and
- (vi) any supporting information as stated in the statutory guideline for LGIPs.

3. Delegates authority to the Chief Executive Officer, in accordance with the Local Government Act 2009, to consider and make amendments addressing any conditions imposed by the Minister at the second State Interest Check.

Resolution

Moved Councillor Liessmann, seconded Councillor Goddard that the recommendation be adopted.

CARRIED

12 COMMUNITY DEVELOPMENT

13 ECONOMIC DEVELOPMENT

14 NOTICES OF MOTION

15 CORRESPONDENCE FOR INFORMATION

16 GENERAL BUSINESS

16.1 Letter of Request - Continued Government Funding - Chaplaincy in Schools Program

Resolution

Moved Councillor Bonanno, seconded Councillor Woods that Council officers write a letter to relevant Federal and State members of Parliament seeking their commitment to continued funding of the chaplaincy programs in schools.

CARRIED

16.2 Request - Change Queen Street Fountain to Red - Remembrance Day 2018 - 9 to 11 November 2018

Resolution

Moved Councillor Goddard, seconded Councillor Liessmann that Council endorses Councillor McLaughlin's response to Queensland Government Anzac Centenary letter that Council agrees to change the Queen Street Ayr fountain to the colour red from the 9 to 11 November 2018 to commemorate Remembrance Day.

CARRIED

16.3 Request - Change Queen Street Fountain to Purple - Raise Awareness of Domestic and Family Violence Prevention Month - May 2018

Resolution

Moved Councillor Perry, seconded Councillor Goddard that Council agrees to change the Queen Street, Ayr fountain to the colour of purple for the month of May to raise awareness of Domestic and Family Violence Prevention month, as requested by the Zonta Club of Burdekin Inc.

CARRIED

16.4 Request – Update Toilet Signage for Visually Impaired

Councillor Leissman advised of a customer request for upgraded toilet signage for the visually impaired to be considered in the Queen Street toilet upgrade. Council Officers to contact Vision Australia for signage advice and options.

17 CLOSED MEETING ITEMS

Council Meeting closed to Public under *Section 275 of Local Government Regulation 2012*

Resolution

Moved Councillor Perry, seconded Councillor Goddard that the Council meeting be closed to the public under the following sections of the *Local Government Regulation 2012*:

-
- 275(1)(e) contracts proposed to be made by Council;
275(1)(f) starting or defending legal proceedings involving it;

For the purpose of discussing:

1. Edwards Street Drainage Upgrade
2. Sale of Land
3. Planning Matter

CARRIED

18 DELEGATIONS

10.30am – Councillors attended the unveiling of the Caledonian Hall plaque at the historical site now occupied by Coles Service Station, Edwards Street Ayr.

10:50am - Break for Morning Tea.

11.10am – Resume meeting.

Council Meeting opened to Public

Resolution

Moved Councillor Bonanno, seconded Councillor Goddard that the Council meeting be opened to the public.

CARRIED

17.1 Edwards Street Drainage Upgrade

Executive Summary

Advice of tenders received for construction works.

Resolution

Moved Councillor Liessmann, seconded Councillor Woods that Council resolves to accept the tender received from Aqua Project Solutions Pty Ltd for \$911,484 excluding GST for the Edwards Street Drainage Upgrade project.

CARRIED

17.2 Sale of Land

Executive Summary

To effectively address current rate arrears on some properties, the sale of land process will be necessary to discharge overdue rates and charges. Previous requests for payment have been ignored and outstanding revenue on these properties now exceeds \$75,000.

If at any time during the sale of land process outstanding rates, charges and expenses on a property are paid in full, proceedings will cease.

Schedule A – List of Properties

Property No.	Legal Description	Amount Outstanding as at 8 May 2018
67	Lot 9 A 77811	\$17,038.26
1848	Lot 18 RP 738677 Lot 17 RP 738677	\$5,573.56
5356	Lot 16 RP 709699	\$13,792.56
5208	Lot 59 RP 707557	\$14,326.22
4885	Lot 53 RP 711846	\$15,299.09
3605	Lot 2 RP 717504	\$13,392.00

Resolution

Moved Councillor Goddard, seconded Councillor Bawden that pursuant to Section 140 (2) of the *Local Government Regulation 2012*, Council sell the land described in “Schedule A – List of Properties” for overdue rates and charges;

And that Council delegates to the Chief Executive Officer its power to take all further steps under Chapter 4, Part 12, Division 3 of the *Local Government Regulation 2012* to effect sale of the land or end the sale procedures if appropriate (Section 141(3) of the Regulation).

CARRIED

16 GENERAL BUSINESS

16.5 Attendance at QFES Scenario Planning Workshop - 14 to 15 May 2018 - Brisbane

Resolution

Moved Councillor Goddard, seconded Councillor Woods that Council approve the attendance of Councillor McLaughlin at the QFES Scenario Planning Workshop on 14 and 15 May 2018 and any expenses to attend the Workshop be met by Council.

CARRIED

There being no further business the meeting closed at 11.36am.

These minutes were confirmed by Council at the Ordinary Council Meeting held on 22 May 2018.

MAYOR

3.2 Ayr Aerodrome Advisory Group Meeting Minutes - 21 February 2018

Recommendation

That the minutes of the Aerodrome Advisory Group Meeting held on 21 February 2018 be received and adopted.

Aerodrome Advisory Group Meeting

Meeting Number: #8
Date: Wednesday, 21 February 2018
Location: Ayr Aerodrome
Chair: Mr. Dan Mulcahy

ATTENDEES:

Neil Hoffensetz	Ayr Flying Services
Dan Mulcahy	Burdekin Shire Council
Eliza Lovell	Burdekin Shire Council
Rob Potter	Burdekin Shire Council
John Pappalardo	Interested stakeholder
Brian Richardson	Interested stakeholder
Graham Andersen	Lease Holder
Rupert Kefford	Lease Holder

APOLOGIES:

Brad Pfeiffer	Ayr Craft Avionics
Paul Burgess	Ayr Sports Inc.
Cr. Lyn McLaughlin	Burdekin Shire Council
Cr Tony Goddard	Burdekin Shire Council
June Powell	Department of State Development, Manufacturing, Infrastructure and Planning
Steve McGuire	Interested stakeholder
Beth McGuire	Interested stakeholder
Kevin Scheuber	Lease Holder
Robert Oar	Lease Holder, Burdekin Aero Club
Hylton Ward	Roncato Helicopters
Steve Garrard	Ayr Sports Inc
Bill Meehan	Interested stakeholder
Talbot Cox	Rocks Farming

1. Welcome and apologies

Dan Mulcahy assumed the position of Chair in Cr. McLaughlin's absence and welcomed members to the meeting.

2. Minutes of previous meeting

It was resolved to adopt the minutes of the previous meeting as true and accurate.

3. Action Table (refer Appendix A)

4. General Business

Item 1 – Aerodrome Caretaker – Position Duties

Following a discussion at a previous meeting, Rob Potter tabled the duties of the Aerodrome Caretaker for members' information.

Dan Mulcahy reiterated to members to contact Council's Customer Service Department on 4783 9800 and submit a customer request for any operational matters.

Item 2 – Power Supply

Dan Mulcahy advised that Council will be issuing the Request for Quotation for the upgrade of power supply for the Ayr Aerodrome to suppliers. Once quotations are reviewed, Council will make a decision to proceed.

Item 3 - Fuel Facility

Eliza Lovell advised that the Request for Quotation for the fuel facility will close on Friday, 2 March, 2018. Once quotations are reviewed, Council will make a decision to proceed.

There been no further business the meeting closed at 12.30pm

ACTION TABLE

Appendix A

ACTION ITEMS FROM MINUTES OF MEETING #2 – 2/11/2016

	Action	Person(s) responsible	Status
2.1.3	<p>Develop a business case for the development of Lot 15 as follows –</p> <ul style="list-style-type: none"> Estimated cost of a prefabricated hanger. Fire Safety requirements. Provide a plan of the proposal. Expression of Interest within the market (sell off the plan) to ascertain the likelihood of a shared wall hanger facility being sold. 	Dan Mulcahy	Ongoing. Council's building department is investigating this matter, however, due to other priorities within the department this project will be explored at a later date.

ACTION ITEMS FROM MINUTES OF MEETING #6 – 30/8/2017

	Action	Person(s) responsible	Status
4.1	Eliza Lovell to contact CASA to see if Council can access registration data.	Eliza Lovell	Completed. Eliza Lovell advised that registration data was downloaded from CASA website.
4.2	<p>Brad Pfeiffer will investigate if a Facebook page could be established by the Burdekin Aero Club to promote the Ayr Aerodrome.</p> <p>It was recommended that Council install a sign at the Ayr Aerodrome to welcome visitors. Sign could include: map of the area, key contact information (taxi etc.), where to stay, where to eat.</p>	<p>Brad Pfeiffer</p> <p>Eliza Lovell</p>	<p>Brad Pfeiffer has created a Facebook page on behalf of the Burdekin Aero Club for the Ayr Aerodrome. All members to forward any information or images of the aerodrome to Brad for inclusion in the page.</p> <p>Eliza Lovell advised that planning has commenced for this sign.</p>

ACTION ITEMS FROM MINUTES OF MEETING #7 – 15/11/2017

	Action	Person(s) responsible	Status
7.3.1	Sub-committee meeting to be held in the new year to consider developing an iconic event at the Ayr Aerodrome in 2018 to boost visitors to the aerodrome as well as build local community awareness of the facility.	Eliza Lovell	<p>Eliza Lovell advised that the Event Sub-committee has met and decided to host a fly in event in 2018 following the installation of the fuel facility. It was recommended that Council could provide in-kind support by way of promotion of the fuel facility and event in aviation related publications and websites.</p> <p>The Event Sub-committee also agreed that a more substantial event could be held in 2020 which marks 100 years since the first plane landed in Ayr.</p> <p>It was noted that an event ideas list could be generated as a working document for the Event Sub-committee</p>

7.4	Council to contact other local governments that operate similar sized aerodromes (Mareeba, Innisfail, Charters Towers, Hinchinbrook) and advise of their public liability insurance requirements.	Eliza Lovell	Completed. Eliza Lovell advised that Mareeba, Charters Towers and Hinchinbrook Shire Councils had been contacted and all indicated that they require lessees to hold \$20 million public liability.

3.3 Burdekin Senior Advisory Group Meeting Minutes - 11 April 2018

Recommendation

That the minutes of the Burdekin Senior Advisory Group Meeting held on 11 April 2018 be received and adopted.

Burdekin Shire Council

Minutes – Burdekin Senior Advisory Group Meeting held on 11 April 2018

Held at John Hy Peake Meeting Room

The meeting commenced at 10.40am

CLAUSE 1

ATTENDANCE

Cr. Ted Bawden
Melissah Lammon
Graham Andersen
Tom Callow
Glenis Cislowski
Dr. Brian Glover
John Rowan
Jackie Kiloh – Guest Speaker

APOLOGIES

Tony Vaccaro
Robert Lesca
June Bosel

CLAUSE 2

GUEST SPEAKER – JACKIE KILOH

Jackie Kiloh from Burdekin PCYC talked about the Age Old Fun Fitness classes that she conducts at PCYC for people aged 55+. The program is a gymnastics based program and is held every Monday and Wednesday from 9am – 10am. Cost is \$8 per class, however the first class is free. The program is a great initiative to get seniors out and about and being social. The program also includes brain gym to help keep the body and mind active. Jackie advised she has lodged a grant to receive funds to hold these classes for free every day throughout Seniors week. Jackie demonstrated some of the activities she does during her classes and members of the group participated in some of the activities.

CLAUSE 3

JUNE BOSEL RESIGNATION FROM GROUP

Melissah Lammon informed everyone that June Bosel has resigned from the Burdekin Senior Advisory Group as she is leaving town in a few months. Melissah advised that she has emailed June to thank her for her time and valued contribution to the group over the past few years. June advised she will try to come along to the next meeting to say goodbye to everyone.

CLAUSE 4**GENERAL BUSINESS****4.1 Overgrown Bushes**

John Rowan said the overgrown bushes at the house on the corner of Wilmington and Edwards Street is a hazard to drivers. Cr. Ted Bawden said he will talk to the owner about trimming the bushes.

4.2 Overgrown Vines

John Rowan said there are overgrown vines on the corner of Railway and Lynch Street that makes it difficult for drivers to see past. Melissah Lammon advised the vines are on private property and have previously been poisoned by Council.

4.3 Professionalism from Ergon Energy Contractors

Cr. Ted Bawden advised the group that the Mayor and Councillors do not want a letter written on behalf of the Burdekin Senior Advisory Group to Ergon Energy about the professionalism of the Ergon Energy Contractors as raised by Graham Andersen at the Burdekin Senior Advisory Group meeting on February 14th 2018.

4.4 Home Hill Post Office

Tom Callow informed everyone of his concerns with the limited access to the Home Hill Post Office as there is currently only stairs to enter the building. Tom would like to know if there is funding available to get a lift to access the building. Cr. Ted Bawden to follow-up who owns the building.

4.5 Customer Request

Glenys Cislowski would like to lodge a customer request to have the rotten timber posts removed from Cislowski Road opposite Plantation Park. Melissah Lammon to lodge customer request.

4.6 Disabled Carparks

Cr. Ted Bawden informed everyone that Council is currently looking at suitable locations in the main street for more disabled carparks.

Meeting closed: 12.15pm

Meeting Minutes taken by Melissah Lammon

NEXT MEETING – Wednesday, 13 June 2018 at 10.30am in the Ernie Ford Boardroom.

ACTION ITEMS

Action required	Person/s responsible	Status
Draft letter to Dale Last RE: Curfew Law for Children.	Graham Anderson/Melissah Lammon	
Lodge customer request to have the rotten timber posts removed from Cislowski Road opposite Plantation Park.	Melissah Lammon	
Liaise with Jaye Christensen and Aicey Zaro regarding activities for Seniors eg. Seniors Book Club and Seniors Painting Group	Melissah Lammon	
Organise Debra Cochran as a Guest Speaker to attend BSAG meeting	Melissah Lammon	Debra Cochran will be attending the meeting on 13 June 2018
Organise Sgt. Steve Barton as a Guest Speaker to attend BSAG meeting	Melissah Lammon	
Organise Jim Collins as a Guest Speaker to attend BSAG meeting	Melissah Lammon	
Organise NBN Information Follow-up Session	Melissah Lammon	

3.4 Burdekin Shire Youth Council Meeting Minutes - 23 April 2018

Recommendation

That the minutes of the Burdekin Shire Youth Council Meeting held on 23 April 2018 be received and adopted.

Burdekin Shire Council

Minutes – Burdekin Shire Youth Council Meeting held on 23 April 2018

Held at Burdekin Shire Council Chambers

The meeting commenced at 3.30pm

CLAUSE 1 ATTENDANCE

Sarah McDonnell – Youth Mayor
Taryn Delle Baite – Deputy Youth Mayor
Emily Holmes - Secretary
Amaya Castrejana – Burdekin Catholic High School
Eddie Jones – Ayr State School
Jessica Cox – Burdekin Catholic High School
Lanita Goos – Burdekin Catholic High School
Naomi Loizou – Working Youth Representative

Cr. Lyn McLaughlin – Burdekin Shire Council
Tammy Quagliata - Burdekin Shire Council

Apologies for Absence

Amy Langdon – Burdekin Catholic High School
Chelsea Scalia – East Ayr State School
Harrison Hickmott – Burdekin Catholic High School
Tayla McKaig – Home Hill State High School

CLAUSE 2 MINUTES RECEIVED

Moved Lanita Goos, seconded Taryn Delle Baite that the Minutes of the Burdekin Shire Youth Council Meeting held on 26 March 2018 be received, noting an amendment to Clause 4 (Election of Youth Council Executive 2018), to reflect the order in which voting occurred.

CARRIED

CLAUSE 3 CORRESPONDENCE

INWARD & OUTWARD CORRESPONDENCE:

NIL

CLAUSE 4 BUSINESS ARISING FROM THE PREVIOUS MINUTES

Clause 4: Proposed Volunteers Expo – It was noted that at this stage a Volunteers Expo would not be going ahead due to lack of community interest, however an alternative workshop/celebrations of volunteers will be held. Youth Council members will be kept updated on how they can be involved in this.

Clause 9: Community Projects Targeting Crime and Crime and Community Safety – Sarah McDonnell suggested that security cameras be installed in Queen Street to discourage and prevent local vandalism. Mayor Cr. Lyn McLaughlin advised that there were currently CCTV cameras placed at various locations in the main street and noted there is budget to install more cameras in the future.

Clause 10: Community Suggestions – Tammy informed members that the suggested outdoor movie night has been mentioned to the Burdekin Theatre.

CLAUSE 5 UPDATE ON 2018 FAST TRACK TALENT SHOWCASE

Tammy informed members about the workshop being held from 4-5:30pm on Friday 27 April for participants and encouraged youth council members to come along for their chance to meet Cyrus and the Fast Track team prior to the event. It was also noted that a record number of nominations (close to 50) had been received and were still coming in. Members were also encouraged to head to the Youth Council Facebook Page to win a free ticket to Fast Track and promote the event. A total of over \$2500 worth of cash, prizes and vouchers were up for grabs. Youth Council members agreed to sell chocolates at the event. A roster to assist with selling chocolates, registrations and backstage would be emailed to all members.

CLAUSE 6 UPDATE ON BURDEKIN THEATRE EVENTS

Tammy Quagliata advised that the Burdekin Theatre has recently secured performers Timomatic & Nathaniel during the June/July school holidays. It was noted that these performers would definitely be a draw card for the youth demographic. Members expressed interest in assisting with promotion and marketing of the event.

CLAUSE 7 2018 QUEENSLAND DAY FUN & FITNESS EXPO – SUNDAY 3 JUNE, 2018

Tammy Quagliata informed members that the 2018 Qld Day Fun & Fitness Expo is proposed to be held on Sunday 3 June from 10:00am-2:00pm at Hutchings Lagoon. It was agreed that Youth Council members will provide free badge making at the event. A roster will be developed at the next meeting.

CLAUSE 8 YOUTH MEMBERS DEBATE – MT INKERMAN UPGRADE

Members debated and discussed the impacts of the recent upgrade at Mt Inkerman. The Youth Council agreed that the upgrade will be very beneficial for the community and would encourage physical activity. It was suggested by Mayor Lyn McLaughlin that the Youth Council participate in an excursion to Mt Inkerman once the upgrade had been completed.

CLAUSE 9 COUNCIL UPDATE FROM MAYOR LYN MCLAUGHLIN

Mayor, Cr. Lyn McLaughlin gave a brief update on Council works. It was noted that Council is commencing an upgrade to the Home Hill Park, refurbishing the BBQ areas and installing new playground equipment. Council has also submitted a funding application to design a plan for a proposed community waterpark. It was noted that this would be the first step before involving the community in this process.

NEXT MEETING – Monday 21 May, 2018 at 3.30pm

There being no further business, the meeting closed at 4.15pm.

Emily Holmes
SECRETARY

Meeting Minutes taken by Tammy Quagliata and Emily Holmes

3.5 Community Grants Panel Meeting Minutes - 8 May 2018

Recommendation

That the minutes of the Community Grants Panel Meeting held on 8 May 2018 be received and adopted.

Burdekin Shire Council

Minutes – Community Grants Advisory Group Meeting held on 8 May 2018

Held at John Hy Peake Heritage Room
The meeting commenced at 2.10pm

CLAUSE 1 ATTENDANCE

Mrs Laura Vidmar – Chairperson
Cr Lyn McLaughlin - Mayor
Cr John Bonanno
Mrs Janice Horan

Mrs Rachel Messer – Minutes Clerk

Apology for Absence – Cr Uli Liessmann

CLAUSE 2 CONSIDERATION OF APPLICATIONS

Burdekin Readers and Writers Association Inc.

A request from Burdekin Readers and Writers Association Inc (1454880 103) seeking \$5000 support towards the costs associated with the upcoming Ignite Your Mind Burdekin Readers and Writers Festival to be held in October 2018. The Ignite Your Mind Burdekin Readers and Writers Festival attracts over 2650 participants to the event each year.

It is recommended that the Community Grants Panel reassesses the Burdekin Readers and Writers Association Inc application in July.

Rachel Messer will notify Burdekin Readers and Writers Association Inc. of this outcome.

Home Hill and Ayr Tennis Associations

A request from Home Hill and Ayr Tennis Associations (1454040 103) seeking financial support towards the cost of hosting the Burdekin Open and the Burdekin Age Championships. These events will be held on the 29-30 September and 1-2 October 2018.

It is recommended that the Home Hill and Ayr Tennis Associations (1454897 103) complete the Community Grants Program Application Form for assessment.

Rachel Messer will email the application form to the Home Hill and Ayr Tennis Associations.

Home Hill Community Sports Club Inc

A request from Home Hill Community Sports Club Inc seeking assistance of \$2500 for the commission of concept plans by Thirkell Consulting Engineers and Building Design.

It is recommended that Council requests that the applicant provide the following:

- Land owners consent - approval in writing from the land owner (DNRM) for the structure to be built on this land.
- More evidence of the sustainability of the shelter.

Rachel Messer will send out a request to the Home Hill Sports Club Inc. for the above information to be provided.

CLAUSE 3 RECOMMENDATIONS FOR COMMUNITY GRANTS

The Community Grants Panel recommends that Council adopts recommendations as contained in Clause 2 for the 2017/2018 financial year.

There being no further business, the meeting closed at 2.30pm.

Laura Vidmar
CHAIRPERSON

4 REPORTS

4.1 Capital Projects Report for Period Ending 30 April 2018

Recommendation

That the Capital Projects Report for Period Ending 30 April 2018 be received.

Overview Of Council's Capital Projects

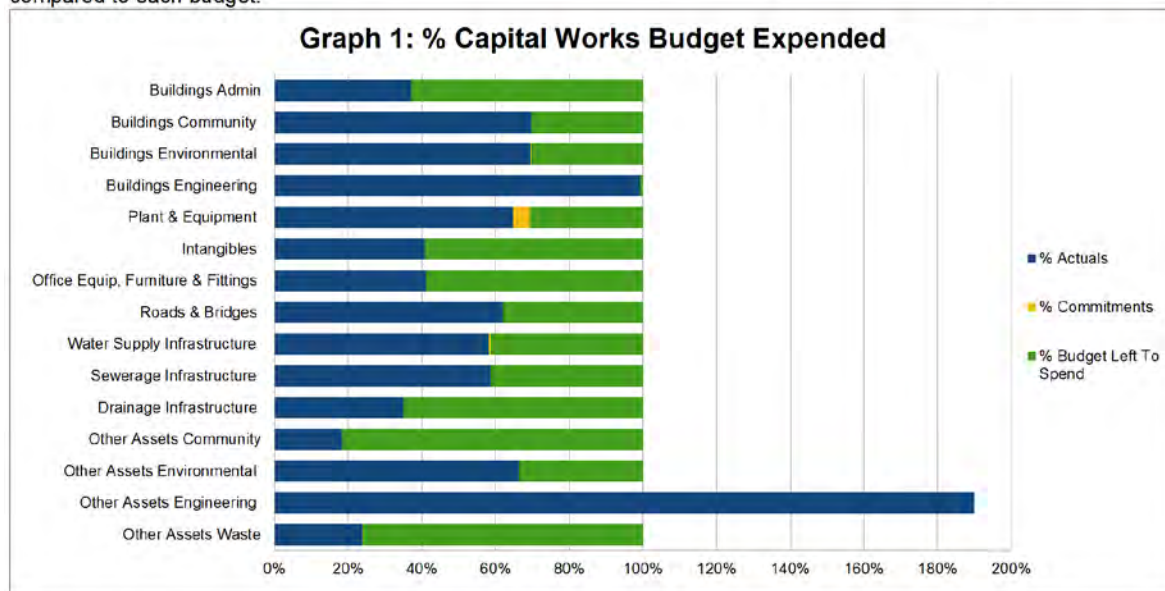
Capital expenditure incurred for the year to 30 April 2018, is shown by asset class in the table below.

Capital projects expenditure to 30 April 2018 is \$11,983,098. In addition to this, there is \$103,506 in commitments. Therefore bringing the total capital expenditure to \$12,086,604.

Table 1: Financial Overview by Asset Class

Asset Class	Original Budget	Revised Budget	Actuals	Commitments	Total
Buildings Admin	\$ 715,000	\$ 289,321	\$ 107,321	\$ -	\$ 107,321
Buildings Community	\$ 255,000	\$ 287,657	\$ 200,872	\$ -	\$ 200,872
Buildings Environmental	\$ 175,000	\$ 1,230,803	\$ 854,703	\$ 4,375	\$ 859,078
Buildings Engineering	\$ 30,000	\$ 49,834	\$ 49,456	\$ -	\$ 49,456
Plant and Equipment	\$ 1,590,000	\$ 1,740,000	\$ 1,125,673	\$ 79,186	\$ 1,204,860
Intangibles	\$ 240,000	\$ 256,730	\$ 104,909	\$ -	\$ 104,909
Office Equip, Furniture and Fittings	\$ 243,300	\$ 376,036	\$ 154,613	\$ -	\$ 154,613
Roads and Bridges	\$ 6,817,000	\$ 8,463,043	\$ 5,255,258	\$ 6,769	\$ 5,262,027
Water Supply Infrastructure	\$ 1,490,000	\$ 1,976,798	\$ 1,149,133	\$ 10,146	\$ 1,159,279
Sewerage Infrastructure	\$ 2,355,000	\$ 2,913,799	\$ 1,710,237	\$ 1,729	\$ 1,711,966
Drainage Infrastructure	\$ 670,000	\$ 650,000	\$ 227,209	\$ -	\$ 227,209
Other Assets Community	\$ -	\$ 627,762	\$ 115,645	\$ -	\$ 115,645
Other Assets Environmental	\$ 844,000	\$ 1,189,104	\$ 790,557	\$ -	\$ 790,557
Other Assets Engineering	\$ 15,000	\$ 16,271	\$ 30,915	\$ -	\$ 30,915
Other Assets Waste	\$ 161,000	\$ 446,596	\$ 106,596	\$ 1,300	\$ 107,896
TOTAL	\$ 15,600,300	\$ 20,513,754	\$ 11,983,098	\$ 103,506	\$ 12,086,604

The below graph shows, by Asset Class, how much Council has spent (including commitments) on Capital Projects, compared to each budget.



Other Assets Community

Four projects are currently listed under this asset class. Only one project has had expenditure to date. Of the remaining three projects, one is in the design phase and the other two are currently in the tendering process.

Other Assets Engineering

Work to repair the existing rock wall at Jerona on the western bank of Barratta Creek was approved at the Council Meeting held on 14 November 2017. This expenditure was not reflected in the second revised budget.

Other Assets Waste

Only one of the four projects listed under this asset class has had expenditure to date. Of the remaining three projects, one is in the design phase and the other two are not due to commence until July.

The Status of Council's Capital Projects

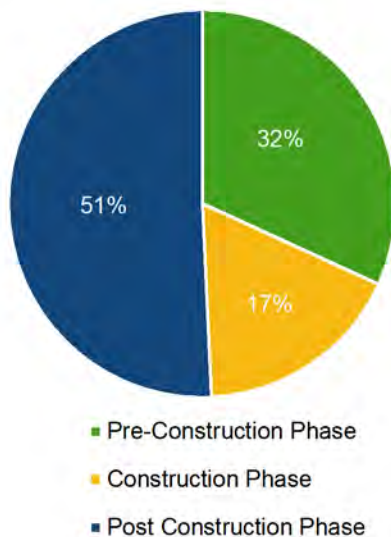
As at 30 April 2018 there are 132 capital projects.

Table 2 provides a summary of how many projects are in each phase. Each phase is broken down into different statuses. Graph 2 shows that 51% of Council's projects are in the post construction phase, while 32% are still at pre-construction phase. Graph 3 illustrates the status of the 23 projects that are in the construction phase.

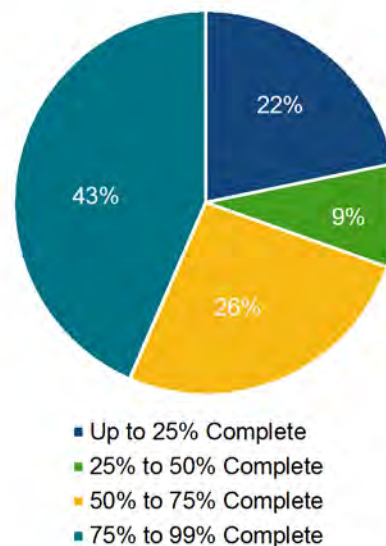
Table 2: Status of Projects

	Number
Pre-Construction Phase	
Not Commenced	3
Project Deferred	4
Planning Phase	14
Design Phase	7
Orders Placed	2
Out to Tender/Quote	7
Tender/Quote Awarded	5
Sub-Total	42
Construction Phase	
Up to 25% Complete	5
25% to 50% Complete	2
50% to 75% Complete	6
75% to 99% Complete	10
Sub-Total	23
Post Construction Phase	
Complete	18
Capitalised	49
Sub-Total	67
Grand Total	132

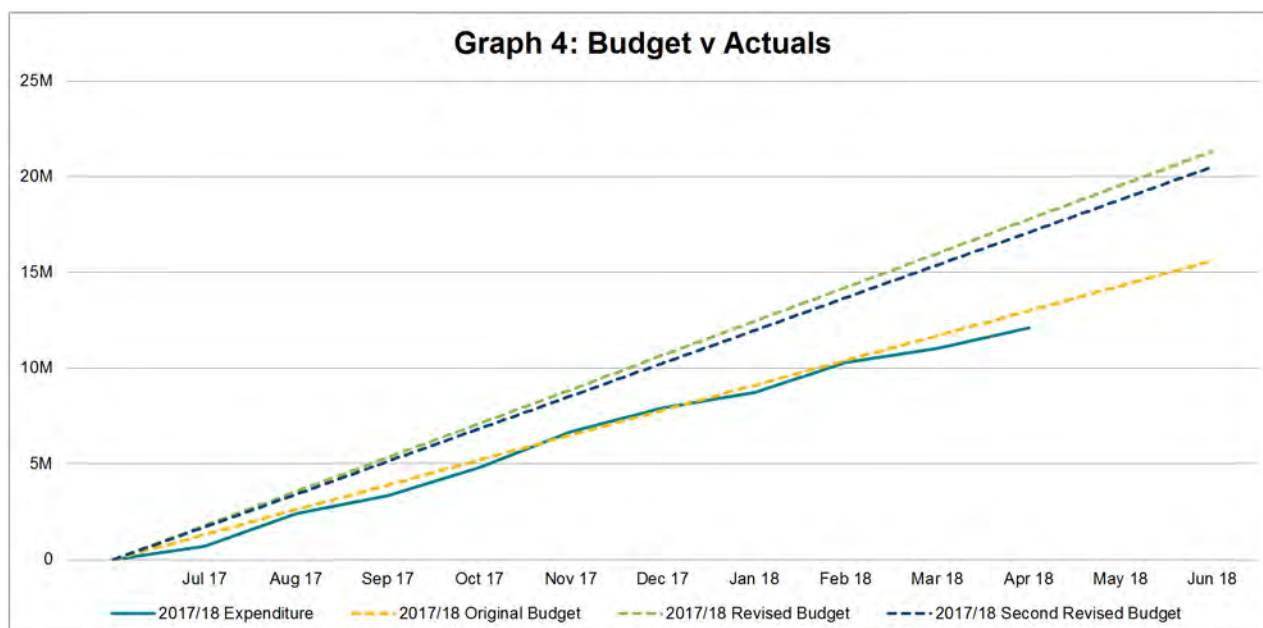
Graph 2: Project Status Summary



Graph 3: Construction Phase Summary



Graph 4: Budget v Actuals



Topical Projects

CCTV Project

The solar surveillance cameras have arrived and Council's Workshop is manufacturing the poles that will be used for installing the cameras at the Ayr ANZAC Memorial Park and the Mount Inkerman Scenic Lookout. The networked cameras for the Ayr Library have been ordered and installation is scheduled to commence on 14th May 2018. We are currently working on an Operational Standard to support the use and management of camera surveillance and a Memorandum of Understanding between Council and the Queensland Police Service for access to footage.

Replacement of Main Air Conditioning System – Chambers Administration and Engineering

Ashburner Francis was appointed on 27 February 2018 to prepare the tender documentation for this project and also for the replacement of the Burdekin Library, Ayr air conditioning system that is budgeted in 2018-19. It is expected that better pricing will be achieved by combining both projects. Logistics and staging of works are critical elements of the implementation for the Chambers location. Initial discussions with Ashburner Francis indicate that an installation in the 2019 winter months would be a more achievable and less risky implementation and gives time for Council, staff and prospective contractors to plan for the implementation. It is proposed for Council to be aware of the staging plan proposed prior to being part of the tender documentation. Consultants indicate that schematic design including staging plan will be complete by 11 May 2018 and detailed design and contract documentation will be finalised by end June 2018.

Ayr Skate Park - Installation of new shade structure and replace existing solar lights (Funding: Round 5 - Get Playing Places and Spaces)

Council has received advice from the Department of Housing and Public Works, Sport and Recreation Services Section that approval for the installation of four new solar lights at the Ayr Skate Park has been granted utilising unspent funds approved under the Get Playing Places and Spaces program. Orders have been placed to purchase the lights with local building contractors quoting to undertake installation.

Supply and installation of playground equipment and shade covers at various shire parks

Big Splash Enterprises have established on-site in Arch Dunn Park, Home Hill and the playground equipment will be installed and useable within 10 working days. The park will be reopened as soon as the contractor has completed the installation with some further partial closures required to install the BBQ shelter. An order has been placed for the BBQ shelter and seating for the park with a local contractor to install upon arrival in mid-June.

Shire Bridge Repairs

Contract arrangements currently being negotiated with only tenderer. Due to complexity of work and associated risk, pricing options are currently being prepared with the contract to be awarded in May.

South Ayr Drainage

Amended flood model due mid-May. Discussions with Department of Natural Resources, Mines and Energy to be finalised in June.

Major Grant Funded Projects

Works for Queensland 2017 - 2019

There are 14 projects funded under this program. Total grant funds are \$3,000,000. All projects have to be completed by 30 June 2019. The major projects requiring detailed planning and design are detailed below. Designs have commenced on a couple of other projects.

Design and construction of a new Visitor Information Centre in Plantation Park, Ayr

Initial planning for the project is continuing with the Working Group having met to discuss options given the flooding constraints at the site of the existing VIC. A further working group meeting will be held during May to progress the project and investigation of options.

Mount Inkerman Upgrade

Roadwork (Significant Regional Infrastructure Projects Program)

The Mount Inkerman Road Upgrade project includes grant funding of \$541,000. The program requires works to be completed by 31 March 2018. The construction work on the passing lanes is complete. This includes the sealing of the passing bays, the installation of new guardrails and replacement of existing guardrails. Construction of the carparks at the Mount Inkerman shop and the lookout are complete.

Construction of the walking trail is well advanced. Expected completion date - June 2018.

Edward Street Drainage

Tenders closed 6 April. To be awarded in May with works to commence by end of May.

Asset Class/ Project No.	Project Narration	Estimated		Project
		Start	Finish	Status
Buildings Admin				
200249	Council Chambers - Replacement of main air conditioning units (Administration and Engineering Sections)	Aug-17	Sep-19	Planning Phase
200277	Work for Queensland Program (WFQP) - Energy Efficiency Initiatives - Council Chambers Building - Reflective roof coating and upgrade to LED lighting	Jun-17	Nov-17	Capitalised
200323	Work for Queensland Program (WFQP) 2 - Energy Efficiency Initiatives - Chambers - Installation of Solar Power	Jun-18	Aug-18	Not Commenced
Buildings Community				
200177	Burdekin Library - Design and renovation of staff amenities (i.e. kitchen) including second toilet	Sep-17	Feb-18	Complete
200193	Security upgrade for Burdekin Library, Ayr	Sep-17	Jan-18	Capitalised
200278	Work for Queensland Program (WFQP) - Energy Efficiency Initiatives - Ayr Library Building - Upgrade to LED lighting	Jun-17	Nov-17	Capitalised
200279	Work for Queensland Program (WFQP) - Energy Efficiency Initiatives - Burdekin Memorial Hall Building - Reflective roof coating above Minor Hall, Kitchen and Bar Area	Jun-17	Sep-17	Capitalised
200280	Work for Queensland Program (WFQP) - Energy Efficiency Initiatives - Burdekin Theatre Building - Reflective roof coating	Jun-17	Sep-17	Capitalised
200288	Burdekin Memorial Hall - Replace gable roof over main hall and stage areas	Sep-17	Jun-18	Tender/Quote Awarded
200289	Burdekin Memorial Hall - Installation of Stairclimber to enable equal access to stage	Aug-17	Jan-18	Capitalised
200290	Burdekin Memorial Hall - Replacement of vinyl floor covering in Minor Hall area	Aug-17	Jan-18	Capitalised
200301	Ayr Racecourse Main Hall - Replace roof sheeting and refurbish overhang and soffit	Feb-18	Apr-18	Complete
200340	Burdekin Library, Ayr - Replacement of main air conditioning units	Aug-17	Sep-19	Planning Phase
Buildings Environmental				
200028	Relocation of public convenience septic system at Groper Creek	Dec-16	Sep-18	Design Phase
200197	Cromarty Creek Boat Ramp - replacement of existing public conveniences	Apr-17	Sep-17	Capitalised
200207	Home Hill Caravan Park - Upgrade of amenities building BD000066 (including the demolition of the old toilet block and fence)	May-17	Nov-17	Capitalised
200212	Ayr Swimming Pool - Refurbishment of pool as per GHD detail design	May-17	Aug-17	Capitalised
200234	Work for Queensland Program (WFQP) - Upgrade of existing toilet facilities at Funny Dunny Park, Wunjunga	May-17	Dec-17	Capitalised
200236	Work for Queensland Program (WFQP) - Installation of toilet facilities at Mt Inkerman to compliment future improvements and enhanced public use	Jul-17	Nov-17	Capitalised
200237	Work for Queensland Program (WFQP) - Refurbishment of public amenities at Ford Park, Home Hill	Sep-17	Nov-17	Capitalised
200318	Work for Queensland Program (WFQP) 2 - Design and construction of a new Visitor Information Centre in Plantation Park, Ayr (replacing existing Building Asset BD047)	Feb-18	Jun-19	Planning Phase
200322	Ayr Swimming Pool - Refurbishment of scum guttering in pool as per GHD detail design	Feb-18	Jul-18	Out to Tender/Quote
200324	Work for Queensland Program (WFQP) 2 - 119 Queen Street Public Amenities - Upgrade	Apr-18	Aug-18	Planning Phase
Buildings Engineering				
200198	Water and Waste Water Office, Jones Street Depot - Fit-out with Laboratory	Apr-17	Oct-17	Capitalised
200281	Work for Queensland Program (WFQP) - Energy Efficiency Initiatives - Jones Street Depot - Workshop Building - Installation of Solar Power	Oct-17	Nov-17	Capitalised
Plant & Equipment				
200252	2017-2018 Light Vehicle Purchases	Oct-17	May-18	75% to 99% Complete
200253	2017-2018 Truck Purchases	Oct-17	May-18	Up to 25% Complete
200254	2017-2018 Machine Purchases	Oct-17	Jan-18	Capitalised
200255	2017-2018 Plant and Equipment Purchases	Oct-17	May-18	75% to 99% Complete
200333	Work for Queensland Program (WFQP) - Supply and installation of generator at Giru Water Facility	Apr-17	Nov-17	Capitalised
Intangibles				
200192	GIS spatial imagery replacement	Jun-16	Dec-17	Complete
200295	Virtual Desktop Infrastructure implementation for 25% of Council's personal computers - Licence and consultation	Nov-17	May-18	50% to 75% Complete
200297	Technology One - Ci Anywhere platform implementation - Stage One	Oct-17	Jun-18	Planning Phase
200298	Technology One - Enterprise Budgeting	Oct-17	Feb-18	Complete
200299	Quality Management System - Quality Assurance, Work Health and Safety and Audit	Dec-17	Jun-18	Planning Phase
200315	SharePoint - Supply and installation of a Controlled Document Management Solution (CDMS)	Sep-17	Feb-18	Complete
200335	E-Retriever Software for Water Meter Readers - three (3) licences including set-up fee	Feb-18	Apr-18	Project Deferred

Asset Class/ Project No.	Project Narration	Estimated		Project
		Start	Finish	Status
Office Equipmt, Furniture & Fittings				
200188	High speed network link for Home Hill Water and Waste Water Treatment Plant and second external site (Home Hill Library)	Apr-17	Aug-17	Capitalised
200256	Burdekin Library book purchases for 2017-2018	Jul-17	Jun-18	50% to 75% Complete
200259	2017-2018 Photocopier replacement program - Burdekin Theatre	Jul-17	Nov-17	Capitalised
200275	Burdekin Theatre - Purchase and installation of new electronic bar till system	Aug-17	Sep-17	Capitalised
200287	Burdekin Memorial Hall - Replace 80 Tables	Aug-17	Sep-17	Capitalised
200291	Burdekin Theatre - Replacement of the auditorium audio system	Aug-17	Jun-18	Orders Placed
200292	Burdekin Theatre - Replacement ClearCom Stage Communication Unit	Aug-17	Jun-18	Design Phase
200293	CCTV Pilot Program up to 10 Cameras	Sep-17	May-18	Up to 25% Complete
200294	Virtual Desktop Infrastructure implementation for 25% of Council's personal computers - Hardware only	Nov-17	May-18	25% to 50% Complete
200316	Purchase of water testing equipment for the Chambers Vector Office and Laboratory for the testing of the swimming pools water	Oct-17	Oct-17	Capitalised
Roads & Bridges				
200067	Reconstruction and bitumen seal of unsealed sections of Donadon Road	May-17	Oct-17	Capitalised
200145	Reconstruction of McDowell Road between Woods Road and Watt Road - RTR	Apr-18	Dec-18	Project Deferred
200147	Construction or reconstruction of Shire Footpaths for 2016-2017	Jul-16	Jul-17	Capitalised
200152	Shire bridge repairs 2017-2018	Mar-18	Aug-18	Out to Tender/Quote
200153	Upgrade drainage at the intersection of Klondyke Road and Maidavale Road	May-18	Jun-19	Project Deferred
200155	Replacement of guardrails along Inkerman Hill Road	Dec-17	Dec-17	Complete
200156	Shire road drainage repairs 2016-2017	Oct-16	Nov-17	Capitalised
200160	TIDS - Beach Road - Widening of existing carriageway to incorporate a turning lane for access to the Junior Soccer Grounds gravel car park	Apr-17	Jul-17	Capitalised
200168	Beach Road - Installation of concrete footpath from 122 Beach Road (Brice Residence) to Basilio Court, including road drainage and pedestrian bridges	Feb-17	Aug-17	Capitalised
200171	Mt Inkerman Nature Tourism Development (SRIPP - Significant Regional Infrastructure Projects Program Funding) - Upgrade carpark, road, drainage and install signs, concrete and gravel footpaths	Jun-17	Jun-18	75% to 99% Complete
200206	TIDS - Adelaide Street - Bitumen widening and installation of footpath and kerb and channel between Norham Road and Chippendale Street 212/LGSR/ - Be Active Trail extension	Jul-17	Oct-17	Capitalised
200211	TIDS - Brown Road - Reconstruction of remainder of Brown Road from CH 2628 to Pelican Road 212/LGSR/20 includes culvert upgrades	Jul-17	Jul-18	25% to 50% Complete
200215	South Ayr Drainage - Replacement of road culverts and cleaning of Depot drain to Muguira's property	May-18	Aug-18	Planning Phase
200228	Work for Queensland Program (WFQP) - Fourth Street and Fifteenth Avenue - Road reconstruction including kerb and channel and bitumen widening between Eleventh Avenue and Fifteenth Avenue and to Fords Gully	Aug-17	Nov-17	Complete
200233	Footpath - Construct footpath along Munro Street, Ayr from Coles access to Parker Street	Dec-17	Feb-18	Complete
200239	Construct roundabout at the intersection of Fiveways, Kelly, Kidd and Ivory Roads, Brandon	May-18	Nov-18	Project Deferred
200240	Reconstruction of Lena Road from CH 917 to 1580	Oct-17	Dec-17	Complete
200241	Work for Queensland Program (WFQP) - Sealing of existing dirt roads and construction of carpark areas within Plantation Park, Ayr	Jul-17	Oct-17	Capitalised
200242	Mackenzie Street - Removal of trees, rehabilitation of pavement, profile and reseal with 45 mm asphalt between Munro Street and Graham Street	Jun-17	Jul-17	Capitalised
200243	Work for Queensland Program (WFQP) - Roundabout - Young Street and Macmillan Street intersection - Construction and lighting	Jul-17	Oct-17	Capitalised
200250	Beach Road - Installation of kerb and channel and associated bitumen widening from International Road to Junior Soccer entrance.	Jun-17	Sep-17	Capitalised
200260	Urban and rural reseal program for 2017-2018	Sep-17	Jun-18	50% to 75% Complete
200262	Work for Queensland Program (WFQP) - Replacement of existing footpaths for safety reasons	Jul-17	Nov-17	Capitalised
200263	Mitchell Road, Clare - Road reconstruction of failed sections	Jan-18	Jun-18	75% to 99% Complete
200264	Hodel Road, Giru - Road reconstruction of concrete section	Jun-18	Sep-18	Planning Phase
200268	TIDS-Seventh Avenue, Home Hill - Construction of a 2.5 m wide concrete footpath from Sixteenth Street towards Milburn Road (approximately 1,000 m)	Feb-18	Jun-18	50% to 75% Complete
200269	Construction of footpath in International Park from Beach Road to Clayton Street, Ayr as part of the Burdekin Be-Active Trail	Mar-18	Aug-18	Planning Phase
200270	Albert Street - Reconstruction and bitumen sealing of road in front of 21-35 Albert Street, Ayr	Feb-18	Apr-18	Complete
200272	Construction of footpath on Wilmington Street, Ayr from Coles to Parker Street	Feb-18	Mar-18	Complete
200273	Shire road drainage repairs 2017-2018	Sep-17	Jun-18	50% to 75% Complete
200314	Work for Queensland Program (WFQP) - Young Street - Reconstruction with asphalt overlay and tree surrounds between Burke Street and Wilmington Street, Ayr	Sep-17	Nov-17	Capitalised
200334	Sixteenth Street - Reconstruction and installation of kerb and channel between Bruce Highway and Eleventh Avenue, including sections of Ninth Avenue and Fifteenth A Street	Jul-18	Mar-19	Planning Phase
200337	TIDS - Day Road - Reconstruction and sealing of gravel sections for approximately 2,000 m and 880 m from intersection with Allen Road	May-18	Sep-18	Planning Phase

Asset Class/ Project No.	Project Narration	Estimated		Project
		Start	Finish	Status
Water Supply Infrastructure				
200100	Home Hill Water Tower - Replacement of aerators	May-17	May-18	75% to 99% Complete
200178	South Ayr Water Treatment Plant - Design and construction costs to replace switchboards	Nov-16	Sep-17	Capitalised
200219	South Ayr Water Treatment Plant - Installation of two flowmeters and the construction of the associated pits	Mar-17	Jun-18	75% to 99% Complete
200220	Nelsons Lagoon - Installation of non-return valve and construction of pit	Mar-17	Feb-18	Capitalised
200230	Work for Queensland Program (WFQP) - Replacement of 1 x low level water storage tank, 2 x variable speed drive pressure pumps and pipes and valves at Giru Water Facility	Apr-17	Nov-17	Capitalised
200231	Airdmillan Road Water Pressure Upgrade - Install new 150mm dia water main along Airdmillan Road from Chippendale Street to Ferguson Road to increase pressure and meet fire service regulations	Mar-18	Jun-18	Up to 25% Complete
200304	Mt Kelly Water Rising Main - Replacement of 1350 metre section of main near bores on Ayr Dalbeg Road	May-18	Sep-18	Design Phase
200306	Ayr Water Tower - Replace Internal Ladders - Design	Feb-18	May-18	Design Phase
200329	Home Hill Water Tower - Design of replacement switchboard	Feb-18	May-18	Design Phase
200331	Betina Street water main - replace and upgrade from 100 mm to 150 mm water main	Feb-18	May-18	75% to 99% Complete
200332	South Ayr Water Treatment Plant - Installation of larger hypochlorite storage and shade security structure	Feb-18	Jun-18	Tender/Quote Awarded
Sewerage Infrastructure				
200092	Sewerage Pump Stations - Switchboard Design	Aug-16	Sep-17	Complete
200179	Sewerage Pump Station - Switchboard Replacement Program as per GHD design (CP 200092)	Aug-16	Sep-18	75% to 99% Complete
200218	Ayr Sewerage Treatment Plant - Installation of two flowmeters and the construction of the associated pits	Jan-17	Jun-18	75% to 99% Complete
200247	Sewerage Treatment Plants - Switchboard Replacement Program as per GHD design (CP 200092)	Aug-17	Sep-18	Up to 25% Complete
200284	Home Hill Waste Water Treatment Plant - Replace Trickle Filter Arms	Sep-17	May-18	50% to 75% Complete
200285	Ayr Sewerage Treatment Plant - replace arms on both primary and secondary trickle filters	Mar-18	Jun-18	Out to Tender/Quote
200308	Home Hill Sewerage Treatment Plant - refurbish secondary digester bridge	Feb-18	Mar-18	Complete
200309	Ayr Sewerage Treatment Plant - refurbish secondary clarifier bridge	Oct-17	Nov-17	Complete
200313	Upgrade sewerage telemetry for 13 x sites	Aug-17	Jun-18	Orders Placed
Drainage Infrastructure				
200139	Construct open drain channel from Unnamed Road to Woods Street, South Ayr (Micallef property)	Apr-18	Jul-18	Planning Phase
200209	TIDS - Adelaide Street - Culvert drainage between Norham Road and Chippendale Street 212/LGSR/	May-17	Aug-17	Capitalised
200251	Fourth Avenue - Installation of stormwater drainage pipe and acquisition of easement on 2RP741208 (27 Fourth Avenue, Home Hill)	Oct-17	Jul-18	Up to 25% Complete
200267	Work for Queensland Program (WFQP) - Fourth Street and Fifteenth Avenue - Stormwater drainage between Eleventh Avenue and Fifteenth Avenue and to Fords Gully	Aug-17	Nov-17	Complete
200274	Stormwater Drainage - Edward Street	Apr-18	Nov-18	Out to Tender/Quote

Asset Class/ Project No.	Project Narration	Estimated		Project
		Start	Finish	Status
Other Assets Community				
200074	Electrical upgrade of Ayr Aerodrome - Stage 2	Jun-17	Jun-18	Tender/Quote Awarded
200235	Work for Queensland Program (WFQP) - Installation of shade covers at the Burdekin Theatre Forecourt, Ayr	Aug-17	Nov-17	Capitalised
200319	Work for Queensland Program (WFQP) 2 - Ayr Showgrounds Upgrade, including either design and construction of suitable drainage surrounding Multi-Purpose Building and/or improving electrical infrastructure (i.e. replace overhead with underground)	Mar-18	Dec-18	Planning Phase
200320	Work for Queensland Program (WFQP) 2 - Design and construction of a fuel facility at the Ayr Aerodrome (including aboveground tank, bowser, concrete slab, roof and fence)	Feb-18	Jul-18	Out to Tender/Quote
Other Assets Environmental				
200148	Upgrade to electrical metered sites at Home Hill Caravan Park	May-17	Oct-17	Capitalised
200163	Install new fence at Home Hill Caravan Park	Nov-17	Apr-18	Complete
200172	Mt Inkerman Lookout Upgrade (SLUP - Scenic Lookout Upgrade Program) Upgrade of viewing platforms, interpretive signage, decking and walkways	Jun-17	Dec-17	Capitalised
200195	Ayr Skate Park - Installation of new shade structure and replace existing solar lights (Funding: Round 5 - Get Playing Places and Spaces)	Apr-17	Jun-18	75% to 99% Complete
200223	Work for Queensland Program (WFQP) - Design, manufacture and installation of Adventure Playground at Plantation Park	Mar-17	Nov-17	Complete
200224	Work for Queensland Program (WFQP) - Installation of Park infrastructure (BBQs, picnic settings, shelters) at various locations	May-17	Oct-17	Capitalised
200225	Work for Queensland Program (WFQP) - Installation of solar lights throughout existing Burdekin Be-Active Trail and park areas	Jun-17	Sep-17	Capitalised
200229	Work for Queensland Program (WFQP) - Installation of shade covers at Home Hill and Giru Skate Parks	Aug-17	Oct-17	Capitalised
200282	Work for Queensland Program (WFQP) - Home Hill Caravan Park sealing of internal roads	Sep-17	Nov-17	Capitalised
200310	Supply and installation of park furniture at various shire parks	Oct-17	Jun-18	Out to Tender/Quote
200311	Home Hill Cemetery - Construction of entry statement for Fourth Street entrance	Feb-18	May-18	Tender/Quote Awarded
200312	Supply and installation of playground equipment and shade covers at various shire parks	Sep-17	May-18	Tender/Quote Awarded
200321	Work for Queensland Program (WFQP) - Installation of Footpath within Lloyd Mann Park, Home Hill to connect new Shelter with existing footpath and to the Bruce Highway (Eighth Street)	Sep-17	Oct-17	Capitalised
200325	Work for Queensland Program (WFQP) 2 - Anzac Park Playground - Upgrade of softfall	Mar-18	Aug-18	Out to Tender/Quote
200326	Work for Queensland Program (WFQP) 2 - Anzac Park Retaining Wall - Upgrade	Nov-17	Oct-18	Design Phase
200328	Work for Queensland Program (WFQP) 2 - Installation of exercise stations along the Burdekin Be Active Trail	May-18	Dec-18	Planning Phase
200336	Ayr Swimming Pool - Supply and installation of timber fence and equal access chair lift	May-17	Aug-17	Capitalised
Other Assets Engineering				
200286	Work for Queensland Program (WFQP) - Supply and construction of Ayr Industrial Estate Entrance Signage	Sep-17	Nov-17	Capitalised
200330	Jerona Rock Wall - Renew failed section of wall to ensure bank protection (approximately 80 metres)	Dec-17	Dec-17	Complete
Other Assets Waste				
200283	Work for Queensland Program (WFQP) - Ayr Transfer Station asphalt reseal to improve access and traffic management	Sep-17	Oct-17	Capitalised
200300	Work for Queensland Program (WFQP) 2 - Home Hill Transfer Station upgrade of facilities	Feb-18	Sep-18	Design Phase
200302	Ayr Transfer Station - Reconstruction of Greenwaste Pad	Jul-18	Sep-18	Not Commenced
200303	Home Hill Transfer Station - Reconstruction of Greenwaste Pad	Jul-18	Sep-18	Not Commenced

4.2 Operational Monthly Report for Period Ending 30 April 2018

Recommendation

That the Operational Monthly Report for Period Ending 30 April 2018 be received.

Operational Report - April 2018

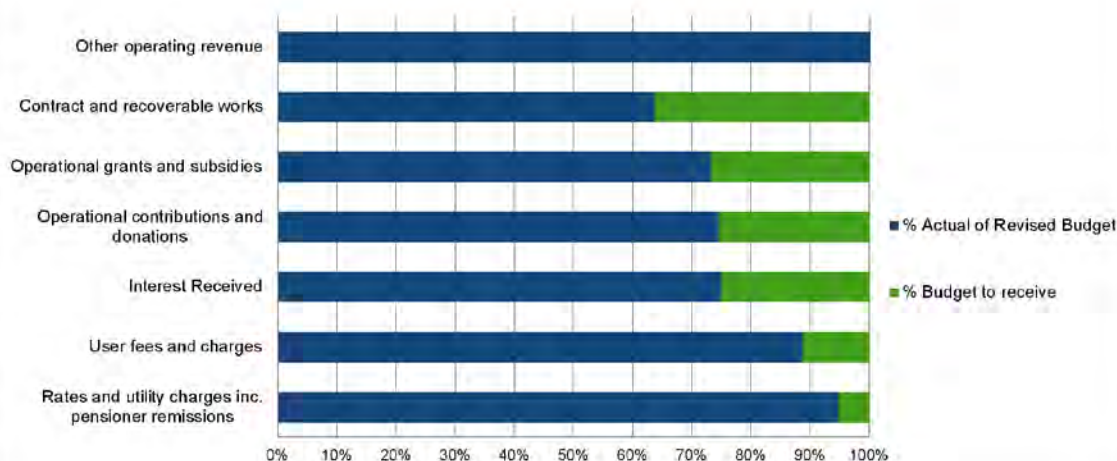
The following report provides a summary of Council's financial performance to 30 April 2018.

FINANCIAL STATEMENTS AT A GLANCE

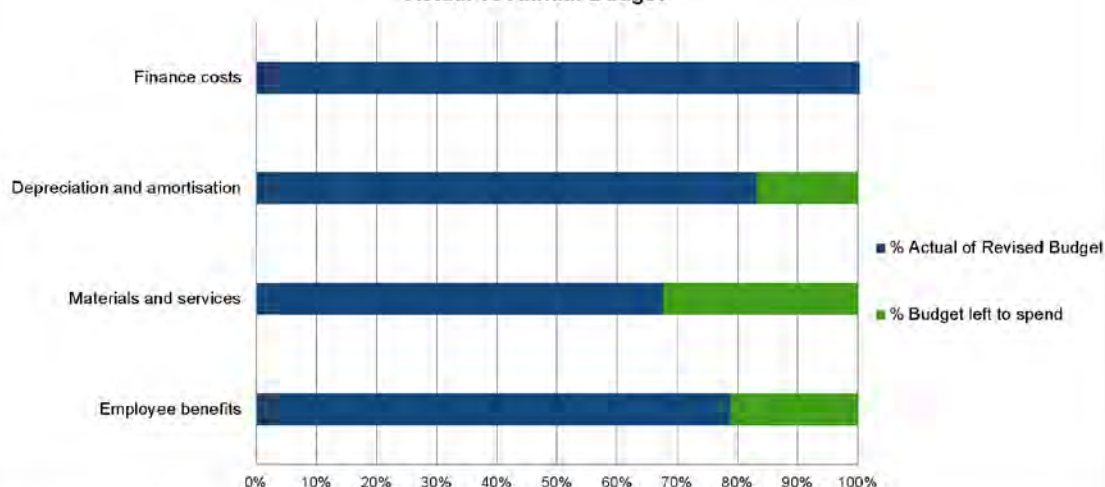
As at 30 April 2018	Actual \$000	Annual Budget \$000	YTD Budget \$000	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Total Operating Revenue	42,771,044	46,800,718	45,355,129	-2,584,085	-6%
Total Operating Expenses	35,952,899	46,687,655	38,880,931	-2,928,032	-8%
Operating Position	6,818,145	113,063	6,474,198	343,947	5%
Capital Revenue	2,940,893	4,208,713	3,507,261	-566,368	-16%
Net Result	9,759,038	4,321,776	9,981,459	-222,421	-2%

This report contains financial information for the period ending 30 April 2018. Council's operating position at month end is a \$6.8M surplus.

Operating Revenue Actual vs Annual Budget



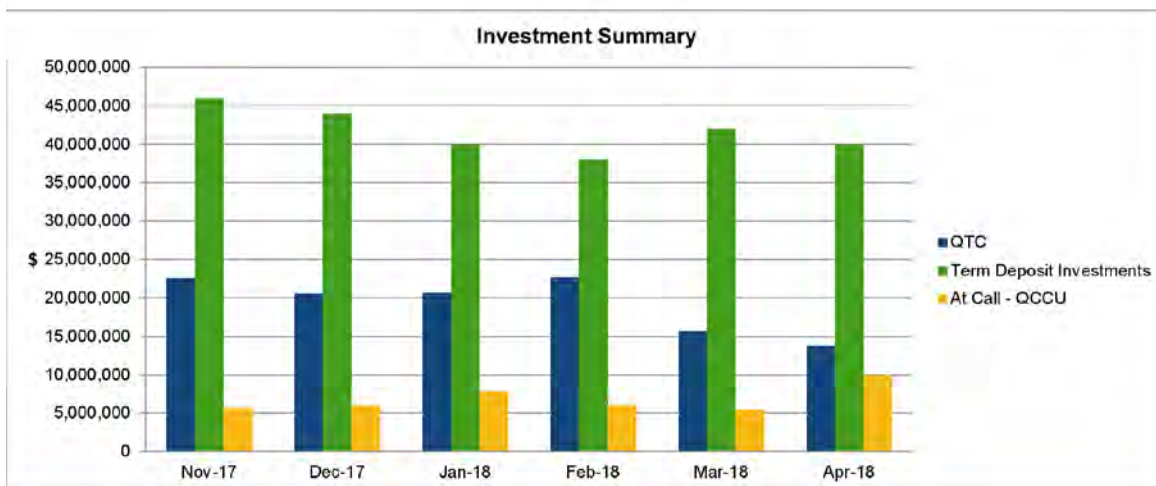
Operating Expenses Actual vs Annual Budget



INVESTMENT PORTFOLIO

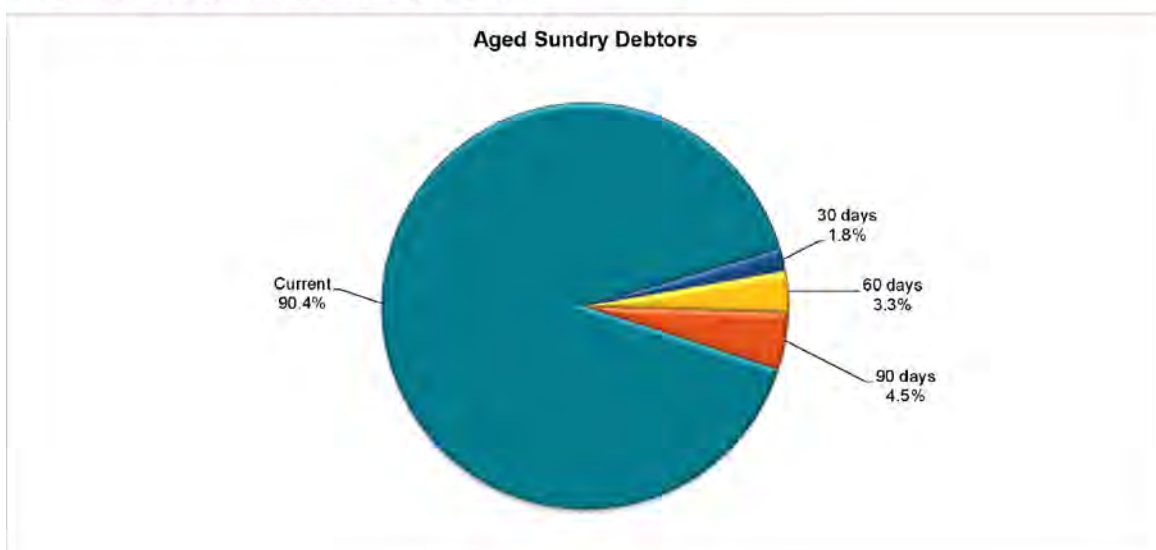
Investment Report as at 30 April 2018 (including at call cash)

	Total Invested	Average Current Rate Weighted	% Invested
Major Banks			
CBA	10,000,000	2.70%	15.7%
NAB	7,000,000	2.58%	11.0%
Westpac	16,000,000	2.68%	25.1%
Other			
Bendigo HH	2,000,000	2.30%	3.1%
Suncorp	5,000,000	2.61%	7.8%
QTC	13,771,635	2.59%	21.6%
QCCU General	9,979,106	2.80%	15.7%
Total Funds	\$63,750,741		



SUNDRY DEBTORS

Total outstanding Sundry Debtors as at 30 April are \$221,426.97

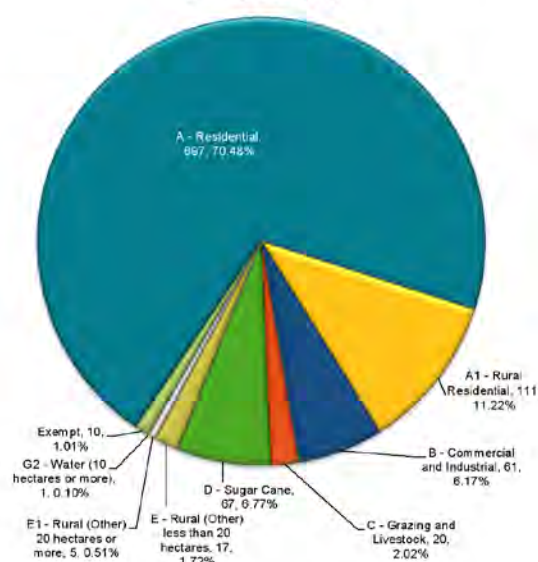


RATES

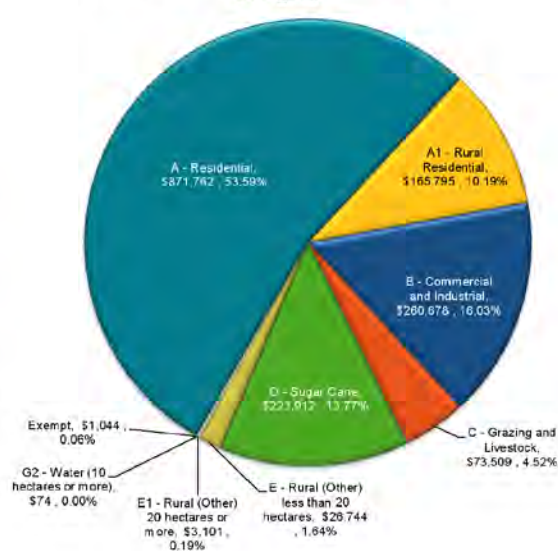
Arrears as at 1 July 2017		\$2,240,403
Levy and fees raised *	\$40,442,694	
Plus Interest charged *	\$268,684	
Less Pensioner subsidy and rebate	<u>\$617,349</u>	<u>\$40,094,029</u>
Less Payments received		<u>\$40,706,111</u>
Arrears as at 30 April 2018		<u>\$1,628,321</u>
% Arrears April 2018		3.85%
% Arrears April 2017		6.67%
Pre-payments as at 30 April 2018		\$966,832
Pre-payments as at 30 April 2017		\$899,060

* includes State Govt Emergency Management Levy

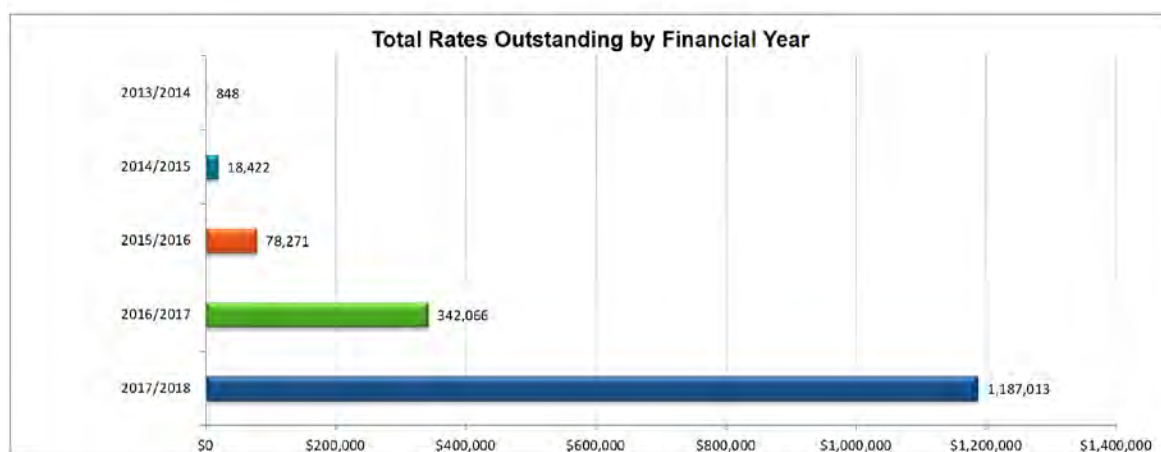
Number of Outstanding Rates Properties by Rating Category



\$ Value of Outstanding Rates by Rating Category



Total Rates Outstanding by Financial Year



Rates Debt Recovery

Collection House - Debt Referral

To date, 613 files have been referred to Collection House. Since referral, 301 property files have been closed and 312 remain active. \$1,791,289 has been recovered.

Of the remaining 312 active files, 141 have negotiated arrangements and are being monitored by Collection House. The balance of these properties are being reviewed, have defaulted or have proceeded to the next stage of the debt collection process.

The overall recovery rate to date has been 62%.

Collection House - Sale of Land

A total of 23 properties were referred to Collection House to commence Sale of Land proceedings.

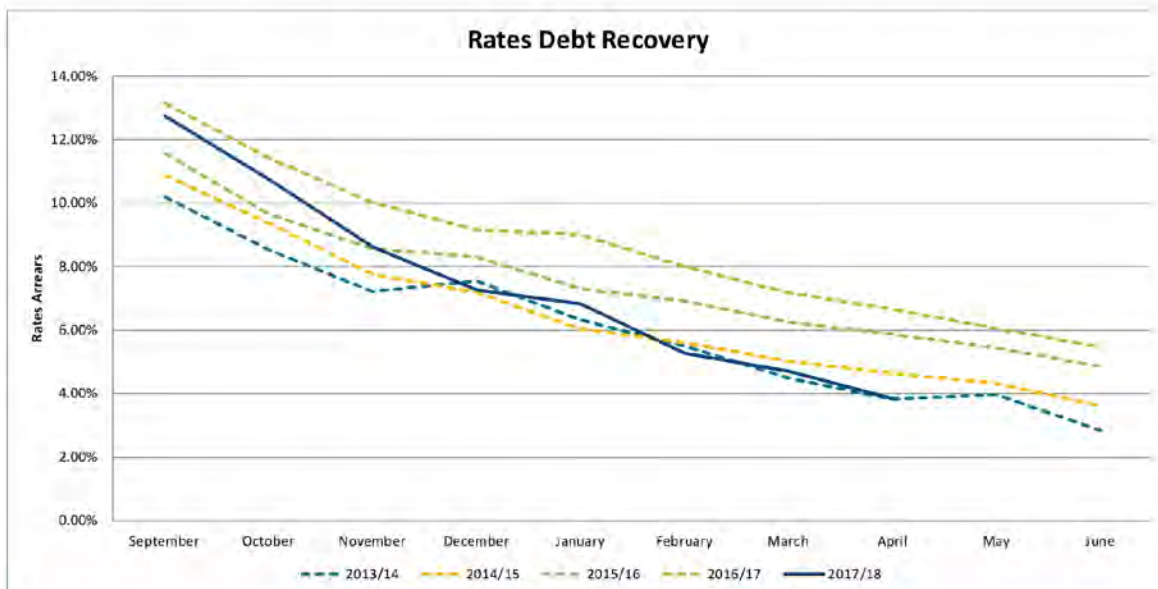
To date, \$185,135 has been recovered. 18 properties have been paid in full or have minor balances. This is a recovery rate of 89%.

1 property was removed from the Sale of Land process.

4 properties went to Auction on 20 April 2018. 1 property sold at Auction and 1 sold subsequent to the Auction by negotiation. 2 properties were taken to be sold to the Council at reserve price.

Council Periodic Payment Arrangements

In addition to the properties referred to Collection House, there are 160 current periodic payment arrangements made directly with Council, representing outstanding rates of \$297,017 as at 30 April. These arrangements are continuing to be monitored by Rates Staff to ensure conformance.



APPENDIX 1 - OPERATING STATEMENT BY MANAGER

Attached are the Operating Statement Reports by Manager - please refer to these report for individual comments.

APPENDIX 2 - TOTAL COUNCIL OPERATING STATEMENT

Attached is the Total Council Operating Statement for your information.

APPENDIX 3 - STATEMENT OF FINANCIAL POSITION

Attached is the Statement of Financial Position as at 30 April 2018.

APPENDIX 4 - STATEMENT OF CASH FLOWS

Attached is the Statement of Cash Flows for the period ending 30 April 2018.

OPERATING STATEMENT
Period Ending 30 April 2018

Chief Executive Officer

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
Operational contributions and donations	45.40	92.35	0	92	-
Operational grants and subsidies	0.00	18,000.00	30,000	-12,000	-40%
Other operating revenue	1,397.67	9,150.14	1,917	7,233	377%
Total operating revenue	1,443.07	27,242.49	31,917	-4,674	-15%
Operating Expenses					
Employee benefits	80,739.23	1,069,702.09	1,084,292	-14,590	-1%
Materials and services	12,260.80	250,826.13	311,579	-60,753	-19%
Total operating costs	93,000.03	1,320,528.22	1,395,871	-75,343	-5%
Surplus (deficit) from operating activities	-91,556.96	-1,293,285.73	-1,363,954	70,668	-5%
Capital contributions	0.00	6,595.18	5,454	1,141	21%
Net result for period	-91,556.96	-1,286,690.55	-1,358,500	71,809	-5%

Comments

Operational contributions and donations

Donations received at Visitor Information Centres.

Operational grants and subsidies

Under budget due to timing of funds received. The following funds have been received; sponsorship monies received on behalf of the Burdekin Water Futures Forum and grant funds received from YWCA Queensland for Queensland Women's Week. Outstanding budgeted grant funds relate to the Building Better Regions Fund for the Tourism Strategy.

Other operating revenue

Registrations for the 2018 Burdekin Export Forum received this month. Year to date revenue includes sponsorship and registrations for the 2018 Burdekin Export Forum, registrations for Tourism Workshop, Visitor Information Centre sales and Burdekin Industry Breakfast registrations.

Materials and services

Currently under budget due to lower expenditure in the economic development and tourism areas.

Capital contributions

Transfer of Burdekin Tourism Association funds to Council upon dissolution.

OPERATING STATEMENT
Period Ending 30 April 2018

Director of Corporate & Community Services

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
Total operating revenue	0.00	0.00	0	0	-
Operating Expenses					
Employee benefits	21,616.57	307,035.20	357,917	-50,881	-14%
Materials and services	111.72	12,235.33	17,758	-5,523	-31%
Total operating costs	21,728.29	319,270.53	375,675	-56,404	-15%
Surplus (deficit) from operating activities	-21,728.29	-319,270.53	-375,675	56,404	-15%
Net result for period	-21,728.29	-319,270.53	-375,675	56,404	-15%

Comments

This report covers the Governance Section due to the organisational restructure.

Employee benefits

Further alignment to budget will occur once EB negotiations are finalised.

Materials and services

Variance is mainly attributable to internal plant hire being below budget.

OPERATING STATEMENT
Period Ending 30 April 2018

Manager Client Services

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
Operational grants and subsidies	0.00	35,823.90	30,905	4,919	16%
Other operating revenue	0.00	57,436.72	41,667	15,770	38%
Total operating revenue	0.00	93,260.62	72,572	20,689	29%
Operating Expenses					
Employee benefits	301,729.37	2,097,821.72	1,917,098	180,723	9%
Materials and services	54,426.61	423,279.19	551,674	-128,395	-23%
Total operating costs	356,155.98	2,521,100.91	2,468,773	52,328	2%
Surplus (deficit) from operating activities	-356,155.98	-2,427,840.29	-2,396,201	-31,639	1%
Net result for period	-356,155.98	-2,427,840.29	-2,396,201	-31,639	1%

Comments

Operational grants and subsidies

All anticipated grants and subsidies have been received for this Financial Year.

Other operating revenue

Revenue received from Queensland Local Government Workcare of \$42,894 for Workcare payments; Long Service Leave transferred from another Council for a current employee; and reimbursement of tuition fees for an employee on successful completion of training.

Employee benefits

All Client Services Departments are tracking on budget.

Sick leave for Council is very high and even after an adjustment in the second budget revision, may go over budget depending on sick leave taken over the next 6 weeks. This will be closely monitored.

Long Service Leave is under budget and if no large unexpected Long Service Leave is taken then the excess in this budget will cover the deficiency in the Sick Leave budget.

Annual Leave is on target according to the second revised budget forecasts.

Superannuation, Statutory Holidays and Bereavement leave are all on target according to the second revised budget forecasts.

Materials and services

HR Consultants and OH&S Employee Welfare are under budget to date. Still waiting on final invoices from LGAQ for EB

consultancy and the Employee Assistance Program is under forecasted budget based on previous years expenditure.

Training is under budget and is being monitored closely - over \$25,000 was spent on training in April 2018 and further training is scheduled for May/June 2018.

Safety is under budget due to pre-employment medicals being below forecasts. Drug and alcohol testing program still to be finalised and rolled out to all employees and staff hearing tests are scheduled for May 2018.

OPERATING STATEMENT
Period Ending 30 April 2018

Manager Community Development

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
User fees and charges	13,683.36	176,323.64	167,500	8,824	5%
Operational grants and subsidies	59,500.00	156,252.85	125,149	31,104	25%
Other operating revenue	13,119.53	80,259.72	31,167	49,093	158%
Total operating revenue	86,302.89	412,836.21	323,816	89,020	27%
Operating Expenses					
Employee benefits	103,466.01	1,246,594.51	1,309,750	-63,155	-5%
Materials and services	55,947.31	1,054,530.67	1,157,818	-103,288	-9%
Depreciation and amortisation	9,940.83	96,379.41	97,250	-871	-1%
Total operating costs	169,354.15	2,397,504.59	2,564,818	-167,314	-7%
Surplus (deficit) from operating activities	-83,051.26	-1,984,668.38	-2,241,003	256,334	-11%
Capital contributions	0.00	7,138.20	0	7,138	-
Capital grants and subsidies	0.00	66,432.09	66,667	-235	0%
Other capital income (expense)	0.00	-3,880.54	-3,234	-646	20%
Net result for period	-83,051.26	-1,914,978.63	-2,177,570	262,591	-12%

Comments

User fees and charges

Hire of Theatre, Burdekin Memorial Hall and Ayr Showgrounds, Library internet and photocopying income. Income is variable by month.

Operational grants and subsidies

Community Drought Support received this month for \$55,000 to be transferred to tourism section. Sponsorship payment for 2018 Queensland Day Fun and Fitness Expo received this month.

Other operating revenue

Ticket sales for theatre bookings, theatre bar takings and ticket sales for community development events.

Capital contributions

Transfer of Burdekin Shire Youth Council funds to Council.

Capital grants and subsidies

Three quarters of the 2017/18 Public Library Grant Allocation received from the State Library of Queensland.

Other capital income (expense)

Loss on write off of Other Assets - Community.

OPERATING STATEMENT
Period Ending 30 April 2018

Manager Financial and Administrative Services

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
Rates and Utility Charges	0.00	24,952,120.36	26,442,531	-1,490,411	-6%
Pensioner remissions	-40.25	-308,365.61	-306,000	-2,366	1%
User fees and charges	4,490.74	75,468.72	65,875	9,594	15%
Interest Received	72,557.74	497,161.88	551,667	-54,505	-10%
Operational grants and subsidies	2,500.00	1,148,006.25	1,410,875	-262,869	-19%
Other operating revenue	5,424.04	38,437.49	30,892	7,546	24%
Total operating revenue	84,932.27	26,402,829.09	28,195,839	-1,793,010	-6%
Operating Expenses					
Employee benefits	124,847.95	1,379,020.21	1,474,167	-95,146	-6%
Materials and services	37,080.34	1,356,838.65	1,434,042	-77,203	-5%
Depreciation and amortisation	42,410.56	432,206.75	441,167	-8,960	-2%
Finance Costs	3,198.57	228,021.04	212,699	15,322	7%
Total operating costs	207,537.42	3,396,086.65	3,562,074	-165,988	-5%
Surplus (deficit) from operating activities	-122,605.15	23,006,742.44	24,633,765	-1,627,023	-7%
Capital grants and subsidies	0.00	2,379,000.00	2,071,355	307,645	15%
Other capital income (expense)	0.00	-8,389.10	-5,833	-2,556	-44%
Net result for period	-122,605.15	25,377,353.34	26,699,287	-1,321,933	-5%

Comments

Rates and Utility Charges

At the end of the financial year, rates in advance revenue of approximately \$1.5M will be recognised.

User fees and charges

Received annual rent monies in November and the Annual Tramway Licence has been received in full.

Interest Received

Council has longer term investments which were selected based on more advantageous interest rates.

Operational grants and subsidies

Three quarters of the 2017/18 Financial Assistance Grant has been received.

Other operating revenue

Over budget due to annual Fire Levy Collection Fee received in October.

Employee benefits

Further alignment to budget will occur once EB negotiations are finalised.

Finance Costs

QTC Loan interest is paid quarterly and the budget is calculated to reflect this.

Capital grants and subsidies

First instalment of 2017 - 2019 Works for Queensland funding and the Second Instalment of the 2016 - 2017 Works for Queensland Funding has been received.

Other capital income (expense)

Loss on write off of office equipment assets.

OPERATING STATEMENT
Period Ending 30 April 2018

Manager Governance and Local Laws

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
Rates and Utility Charges	0.00	4,047,565.92	4,045,862	1,704	0%
Pensioner remissions	-19.17	-1,092.16	0	-1,092	-
User fees and charges	81,542.23	900,499.44	855,212	45,288	5%
Interest Received	25,982.88	168,586.07	180,833	-12,247	-7%
Operational contributions and donations	329.06	122,589.82	123,246	-656	-1%
Operational grants and subsidies	0.00	125,215.00	125,596	-381	0%
Other operating revenue	29,276.47	92,627.58	58,444	34,183	58%
Total operating revenue	137,111.47	5,455,991.67	5,389,193	66,799	1%
Operating Expenses					
Employee benefits	131,679.41	1,342,055.05	1,480,778	-138,722	-9%
Materials and services	267,617.92	3,238,817.83	4,004,583	-765,766	-19%
Depreciation and amortisation	136,522.72	1,380,314.22	1,386,833	-6,519	0%
Finance Costs	427,528.00	445,092.39	16,332	428,760	2625%
Total operating costs	963,348.05	6,406,279.49	6,888,526	-482,247	-7%
Surplus (deficit) from operating activities	-826,236.58	-950,287.82	-1,499,333	549,046	-37%
Capital grants and subsidies	0.00	172,795.97	143,997	28,799	20%
Other capital income (expense)	7,494.15	-99,085.31	-119,799	20,714	-17%
Net result for period	-818,742.43	-876,577.16	-1,475,136	598,559	-41%

Comments

User fees and charges

Majority of animal registration fees received in July/August. Caravan Park income ahead of revised budget.

Interest Received

Council has longer term investments which were selected based on more advantageous interest rates. Interest rates have remained low.

Other operating revenue

Ahead of revised budget for general sales at Transfer Stations and scrap metal sales.

Employee benefits

Additional leave and public holidays in first half of year. Vacancy in aquatic weed and waste areas.

Materials and services

Timing - only 8 months of major waste contract paid to date. Below budget allocation for legacy landfill, RADF, the arts and community properties. Council Chambers electricity under budget.

Finance Costs

QTC Loan interest is paid quarterly and the budget is calculated to reflect this.

Capital grants and subsidies

Capital grant for Ayr Swimming Pool Refurbishment received in full.

Other capital income (expense)

Income received for improvements post sale of the Clare Hall. Loss on write off of Building assets following capitalisation of refurbished assets. Revision of future costs and discount rate movement for restoration provision.

OPERATING STATEMENT
Period Ending 30 April 2018

Manager Operations

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
Rates and Utility Charges	-14.52	7,435,672.29	7,944,791	-509,119	-6%
Pensioner remissions	-45.24	-1,883.59	0	-1,884	-
User fees and charges	13,303.41	205,618.52	193,083	12,535	6%
Interest Received	115,096.92	676,942.88	759,167	-82,224	-11%
Operational contributions and donations	277.30	33,989.68	52,167	-18,177	-35%
Operational grants and subsidies	0.00	387,009.88	412,381	-25,371	-6%
Contract and recoverable works	731.44	14,689.35	24,833	-10,144	-41%
Other operating revenue	0.00	6,063.64	26,204	-20,141	-77%
Total operating revenue	129,349.31	8,758,102.65	9,412,626	-654,523	-7%
Operating Expenses					
Employee benefits	462,375.34	5,272,830.28	5,657,542	-384,711	-7%
Materials and services	507,735.01	4,829,232.02	5,855,347	-1,026,115	-18%
Depreciation and amortisation	202,913.74	2,002,132.55	2,002,833	-701	0%
Total operating costs	1,173,024.09	12,104,194.85	13,515,722	-1,411,527	-10%
Surplus (deficit) from operating activities	-1,043,674.78	-3,346,092.20	-4,103,096	757,003	-18%
Capital contributions	0.00	909.10	0	909	-
Capital grants and subsidies	0.00	567,257.04	1,162,256	-594,999	-51%
Other capital income (expense)	-13,998.91	-211,309.95	-403,610	192,300	-48%
Net result for period	-1,057,673.69	-2,989,236.01	-3,344,450	355,214	-11%

Comments**Rates and Utility Charges**

Variance is attributable to revenue not yet collected for second half water consumption charges, with meter reading scheduled in May. These charges are issued with annual rates notices and accrued back into 2017/18 financials.

User fees and charges

Over budget YTD largely due to large unbudgeted income received for water connection to property at Mt Kelly and timing of second instalment of rental income payments from Telco's leases at Ayr Water Tower.

Interest Received

Council has selected longer term investments based on more advantageous interest rates. Interest rates have remained low.

Operational contributions and donations

Income from Funny Dunny Park camping donations and Home Hill Boat Club septic disposal charges are in line with YTD budget expectations and will increase as tourist season ramps up for winter months. Income from developer infrastructure access charges has been subdued by comparison to recent years.

Operational grants and subsidies

Income is in line with YTD forecasts. Final quarterly FAGS payment due in May. NDRRA recoveries from activities related to Cyclone Debbie 2017 and first milestone payment for Anzac Spirit of Service funding is also captured here.

Contract and recoverable works

Revenue assumption is based on historical annual averages. Currently under budget as income from private and recoverable works is lower than historically received to this period.

Other operating revenue

\$5,527 income from Bulk Water Sales to be journalled from Water Reticulation User Fees and Charges. \$10,000 BSRIT Engineering retainer received annually in June.

Employee benefits

Budget YTD variance can be partially attributable to delays in resolution of EB negotiations and time required to fill vacancies across Operations. Under budget in Engineering Operations, Parks Operations, Works Supervision, Sewerage Administration and Water Reticulation.

Materials and services

Under budget roads maintenance with major gravel resheeting program scheduled May/June prior to crushing season. Materials for sewerage pump stations under budget due to chemical dosing trial. Under YTD budget in water reticulation area due to timing of quarterly payments for Giru water and under budget in water production due to delay in receipt of electricity accounts for March/April.

Capital grants and subsidies

Claim for third milestone payment for Sewerage Pump Station switchboard upgrade project will be lodged in May.

Other capital income (expense)

April expenses are for the write off of two sewerage pump station switchboards renewed under the capital upgrade program.

OPERATING STATEMENT
Period Ending 30 April 2018

Manager Planning and Development

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
User fees and charges	26,212.81	289,687.44	279,167	10,521	4%
Other operating revenue	53.88	393.77	0	394	=
Total operating revenue	26,266.69	290,081.21	279,167	10,915	4%
Operating Expenses					
Employee benefits	69,594.20	837,693.71	888,333	-50,640	-6%
Materials and services	7,736.70	129,010.67	197,306	-68,295	-35%
Total operating costs	77,330.90	966,704.38	1,085,639	-118,935	-11%
Surplus (deficit) from operating activities	-51,064.21	-676,623.17	-806,473	129,849	-16%
 Net result for period	 -51,064.21	 -676,623.17	 -806,473	 129,849	 -16%

Comments

Employee benefits

Further alignment to budget will occur once EB negotiations are finalised.

Materials and services

Variances in materials and services are due to budgeted unspent consultants fees

OPERATING STATEMENT
Period Ending 30 April 2018

Manager Technical Services

	Month of April Actual	Year to Date Actual	Year To Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
User fees and charges	8,065.42	138,616.56	116,667	21,950	19%
Operational grants and subsidies	9,777.00	81,940.60	87,500	-5,559	-6%
Contract and recoverable works	115,889.83	1,109,675.38	1,445,833	-336,158	-23%
Other operating revenue	0.00	468.00	0	468	-
Total operating revenue	133,732.25	1,330,700.54	1,650,000	-319,299	-19%
Operating Expenses					
Employee benefits	173,778.25	1,895,818.38	2,157,500	-261,682	-12%
Materials and services	-46,043.49	-649,515.76	-408,333	-241,182	59%
Depreciation and amortisation	557,893.72	5,274,926.46	5,274,667	260	0%
Total operating costs	685,628.48	6,521,229.08	7,023,833	-502,604	-7%
Surplus (deficit) from operating activities	-551,896.23	-5,190,528.54	-5,373,833	183,305	-3%
Capital contributions	0.00	813.64	0	814	-
Capital grants and subsidies	10,321.96	1,057,882.61	1,986,412	-928,529	-47%
Other capital income (expense)	-112,668.83	-995,265.53	-1,396,403	401,137	-29%
Net result for period	-654,243.10	-5,127,097.82	-4,783,824	-343,274	7%

Comments

User fees and charges

Higher than year to date budget due to payment of trade waste permits in first quarter and higher than expected septage receipt fees mainly from solar farm construction site.

Operational grants and subsidies

Timing of receipt of fuel tax credits. April credit to be received in May.

Contract and recoverable works

Payment for April claim to be received in May. Timing of maintenance works affects year to date budget comparisons. Current works program will ensure contract is completed by June.

Employee benefits

Under budget due to vacant positions, higher than expected leave taken, lower overtime and low expenditure on workshop operations.

Materials and services

Under budget mainly due to low expenditure in recoverable works.

Capital grants and subsidies

The income received is dependant on the timing of projects. Minimal Roads to Recovery and Cycleway funding has been received. Awaiting completion of Inkerman project to make final claim for SRIPP funding.

Other capital income (expense)

Loss from write-off of Transport, Drainage and Fleet assets following capitalisation of replacements and upgrades.

**BURDEKIN SHIRE COUNCIL
OPERATING STATEMENT
Period Ending 30 April 2018**

	Month of April Actual	Year to Date Actual	Year to Date Revised Budget	\$ Variance YTD Actual to YTD Revised Budget	% Variance YTD Actual to YTD Revised Budget
Operating Revenue					
Rates and Utility Charges	-14.52	36,435,358.57	38,433,184	-1,997,825	-5%
Pensioner remissions	-104.66	-311,341.36	-306,000	-5,341	2%
User fees and charges	147,297.97	1,786,214.32	1,677,503	108,711	6%
Interest Received	213,637.54	1,342,690.83	1,491,667	-148,976	-10%
Operational contributions and donations	651.76	156,671.85	175,413	-18,741	-11%
Operational grants and subsidies	71,777.00	1,952,248.48	2,222,406	-270,157	-12%
Contract and recoverable works	116,621.27	1,124,364.73	1,470,667	-346,302	-24%
Other operating revenue	49,271.59	284,837.06	190,290	94,547	50%
Total operating revenue	599,137.95	42,771,044.48	45,355,129.00	-2,584,085	-6%
Operating Expenses					
Employee benefits	1,469,826.33	15,448,571.15	16,327,376	-878,805	-5%
Materials and services	896,872.92	10,645,254.73	13,121,774	-2,476,519	-19%
Depreciation and amortisation	949,681.57	9,185,959.39	9,202,750	-16,791	0%
Finance Costs	430,726.57	673,113.43	229,031	444,082	194%
Total operating costs	3,747,107.39	35,952,898.70	38,880,931.25	-2,928,033	-8%
Surplus (deficit) from operating activities	-3,147,969.44	6,818,145.78	6,474,198	343,948	5%
Capital contributions	0.00	15,456.12	5,454	10,002	183%
Capital grants and subsidies	10,321.96	4,243,367.71	5,430,686	-1,187,318	-22%
Other capital income (expense)	-119,173.59	-1,317,930.43	-1,928,879	610,949	-32%
Net result for period	-3,256,821.07	9,759,039.18	9,981,459	-222,419	-2%

BURDEKIN SHIRE COUNCIL
STATEMENT OF FINANCIAL POSITION
 As at 30 April 2018

	Year to Date Actual \$	Annual Budget \$
Current Assets		
Cash and Cash Equivalents	60,805,896	47,892,724
Receivables	1,240,519	4,636,885
Inventories	727,193	720,712
Total Current Assets	62,773,608	53,250,321
Non-Current Assets		
Receivables	484,855	186,176
Property, Plant and Equipment	504,707,520	508,437,382
Intangibles Assets	798,772	900,303
Total Non-Current Assets	505,991,147	509,523,861
TOTAL ASSETS	568,764,756	562,774,182
Current Liabilities		
Payables	2,816,598	4,591,056
Borrowings	1,675,717	1,752,286
Provisions	2,770,317	2,921,400
Other	731	1,373
Total Current Liabilities	7,263,363	9,266,115
Non-Current Liabilities		
Borrowings	2,185,750	1,685,125
Provisions	16,371,732	16,003,283
Total Non-Current Liabilities	18,557,482	17,688,408
TOTAL LIABILITIES	25,820,845	26,954,523
NET COMMUNITY ASSETS	542,943,910	535,819,659
Community Equity		
Asset Revaluation Surplus	295,598,110	294,512,344
Retained Surplus (deficiency)	247,345,800	241,307,315
TOTAL COMMUNITY EQUITY	542,943,910	535,819,659

**BURDEKIN SHIRE COUNCIL
STATEMENT OF CASH FLOWS
For Period Ending 30 April 2018**

	Year to Date Actual \$	Annual Cashflow Budget \$
Cash Flows from Operating Activities		
Receipts		
Receipts from Customers	44,711,532	42,133,336
Operating Grants, Subsidies and Contributions	2,122,654	2,883,927
Interest Received	1,452,218	1,790,000
Payments		
Payments to Suppliers and Employees	-30,031,428	-35,112,205
Interest Expense	-191,978	-245,375
Net Cash Inflow (Outflow) from Operating Activities	<u>18,062,996</u>	<u>11,449,683</u>
Cash Flows from Investing Activities		
Commonwealth Government Grants	250,000	0
State Government Subsidies and Grants	3,993,368	6,516,823
Capital Contributions	1,723	0
Payments for Property, Plant and Equipment	-11,878,188	-20,257,024
Payments for Intangible Assets	-104,909	-256,730
Net transfer (to) from Cash Investments	3,000,000	3,000,000
Proceeds from Sale of Property, Plant and Equipment	321,477	503,364
Net Movement in Loans to Community Organisations	-228,000	-26,767
Net Cash Inflows (Outflow) from Investing activities	<u>-4,644,530</u>	<u>-10,520,334</u>
Cash Flows from Financing Activities		
Repayment of Borrowings	-1,240,376	-1,664,431
Net Cash Inflows (Outflow) from Financing activities	<u>-1,240,376</u>	<u>-1,664,431</u>
Net Increase (Decrease) in Cash and Cash Equivalents Held	<u>12,178,090</u>	<u>-735,083</u>
Cash and Cash Equivalents at Beginning of the Financial Year	48,627,807	48,627,807
Cash and Cash Equivalents at end of the Period	<u>60,805,897</u>	<u>47,892,724</u>

5 GOVERNANCE

5.1 Lease Expiry - Term Lease 236669 - Bojack Road Industrial Area

Document Information

Referring Letter No: 1454128

File No: 543

Name of Applicant: N/A

Location: Lot 393 on Crown Plan 855272

Author and Title: Vicki Walker – Governance and Property Officer

Executive Summary

Council has received notice from the Department of Natural Resources, Mines and Energy that Term Lease 236669 being Lot 393 on CP855272 located on Bojack Road, Home Hill expired on 14 April 2018 and that Council has no further interest in the land or improvements situated thereon.

Recommendation

That Council notes the advice from the Department of Natural Resources, Mines and Energy that Term Lease 236669 being Lot 393 on CP855272 expired on 14 April 2018 and Council has no further interest in the land or improvements situated thereon.

Background Information

Council received correspondence in May 2016 from the Department of Natural Resources and Mines requesting Council to advise if it wished to apply for the renewal of Term Lease 236669 (Lot 393 on Crown Plan 855272) which was due to expire on 14 April 2018. Council originally acquired this lease in 1984 and apart from part of the land being sold to Bally's Concrete in 1994, the development of the land never progressed. Under the lease conditions the land could only be used for industrial purposes.

Also in 1994 Council offered no objection to applications by Mr C Barbagallo and Mr R Falco to locating irrigation infrastructure within Lot 393. Other than a letter from Council approving the infrastructure, the farmers had no tenure over the land.

Council agreed that prior to relinquishing the lease a meeting be held with the Department of Natural Resources and Mines (DNRM) and all other interested parties to discuss the irrigation infrastructure located on the land.

Following the meeting with the interested parties, Lower Burdekin Water applied for easements over the Irrigation infrastructure on Lot 393 and the adjoining Lot 384 on Crown Plan SB738 which is adjacent reserve land under the trusteeship of Council. These easements are now in the final stages of being registered with the Department of Natural Resources, Mines and Energy.

Link to Corporate/Operational Plan

2.5.1 Review land supply and uses as required to meet community and business needs.

Consultation

Department of Natural Resources, Mines and Energy

Legal Authority or Implications

N/A

Policy Implications

N/A

Financial and Resource Implications

Annual rental for the term lease will no longer be paid to Department of Natural Resources, Mines and Energy

Report prepared by:

Vicki Walker – Governance and Property Officer

Report authorised by:

Nick O'Connor – Director Corporate and Community Services

Attachments

1. Map – Lot 393 on CP855272



Not to Scale - Cadastral Information from Department of Natural Resources, Queensland Digital Cadastral Database DCDB (Crown Copyright Reserved)

Land Details

Lot on Plan	Property ID	Land ID	Owners	Property Desc	Land Desc	Physical Address	Default Address
393CP855272	1746	4765	Burdekin Shire Council	Lot 393 CP 855272:TL23666 9	Lot 393 CP 855272	26 Bojack Road HOME HILL QLD 4806	P O Box 974, AYR QLD 4807

PO Box 974, Ayr, Qld 4807
Telephone (07) 4783 9800
Facsimile (07) 4783 9999
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6 ENVIRONMENTAL AND HEALTH SERVICES

7 CLIENT SERVICES

8 FINANCIAL & ADMINISTRATIVE SERVICES

9 OPERATIONS

10 TECHNICAL SERVICES

10.1 Adoption of Council's Strategic Asset Management Plans

Document Information

Referring Letter No: N/A

File No: 354

Name of Applicant: Burdekin Shire Council

Location: Burdekin Shire

Author and Title: Reg Norman – Asset Management Coordinator

Executive Summary

In conjunction with external consultant Ross McPherson of Asset Facilities Management & Consulting (AFMC), the following six strategic asset management plans have been developed, reviewed and workshopped with Council.

Recommendation

That Council adopts the following six strategic asset management plans as attached to this report.

- Executive Asset Management Plan – April 2018
- Buildings Asset Management Plan – April 2018
- Drainage Asset Management Plan – April 2018
- Sewerage Asset Management Plan – April 2018
- Transport Asset Management Plan – April 2018
- Water Asset Management Plan – April 2018

Background Information

The Queensland Department of Local Government, Sport & Recreation circulated a letter to Queensland Councils in December 2008 which specified the minimum requirements for Asset Management Plans.

It states that these requirements apply to depreciating assets of significant value with long estimated useful lives, and provides a list of Infrastructure Asset Classes and Sub-Classes to which the requirements apply.

An Asset Management Plan (AMP) is a plan developed for the management of one or more infrastructure asset classes with a view to operating, maintaining and renewing the assets within the class in the most cost effective manner possible, while providing a specific level of service.

Council successfully developed and adopted the first round of Asset Management Plans in 2012.

To ensure compliance with guidelines to maintain current versions of asset management plans, Council called tenders in March 2016 to review and update the current AMPs.

AFMC were engaged to complete an Asset Plan Review in April 2016 (Quotation/Tender No QBSC/16/007), with the specification requiring the Plans to include better practice examples as demonstrated in ISO 55000 - Asset Management Standards.

The Draft plans were prepared using Council-supplied background information and have been updated with more recent financial information, levels of service and improvement tasks.

Link to Corporate/Operational Plan

Corporate Plan

1.1.1 - Plan, build and maintain infrastructure that enhances community assets

1.1.3 - Develop and implement strategic infrastructure plans to inform the decision making process when planning for future infrastructure

Consultation

All stakeholder departments for infrastructure assets, Finance Department, Councillors and Audit Committee.

Legal Authority or Implications

Local Government Act 2009; Local Government Regulation 2012

The Department of Local Government, Infrastructure and Planning requires that funding application declarations (2017-18) confirm that Asset registers and asset management plans are in place for all asset classes held by council.

Policy Implications

Asset Management Policy

Financial and Resource Implications

The SAMPs have been developed based on historical and proposed operational and capital expenditure. The plans have identified there may be a requirement for additional capital funding over the long term to meet projected asset renewals.

Improvement plans included in the SAMPs have identified a number of tasks which may require additional funding to achieve compliance with accounting standards and to provide a pathway to ISO 55000 compliance.

Report prepared by:

Reg Norman – Asset Management Coordinator

Report authorised by:

Kevin Byers – Manager Technical Services

Attachments

1. Buildings Asset Management Plan
2. Drainage Asset Management Plan
3. Executive Asset Management Plan
4. Sewerage Asset Management Plan
5. Transport Asset Management Plan
6. Water Asset Management Plan

Buildings Asset Management Plan

April-2018



Document Control		Next full review – July 2020 (Financials reviewed annually)			
Document ID: (1323368)					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1.0	June 2016	Initial Draft	RM/RN		
V2.0	Oct 2016	Updated Draft	RM/RN	KB	
V2.1	Jan 2017	Updated Draft	RM/RN	KB/JM	
V2.1	Nov/Dec 2017	Updated Content/Financials	RN	KB/AMG	
V2.2	April 2018	Updated Content/Financials	RN	KB/AMG	

Adopted by Council on:	
Item No:	

Contents

1	EXECUTIVE SUMMARY	5
1.1	Portfolio Description	5
1.2	Expenditure Forecast	5
1.3	Financial Performance Measures	6
1.4	The Next Steps	7
1.5	Plan Adoption Date	7
2.	INTRODUCTION	8
2.1	Purpose	8
2.2	Overview of this Plan	8
2.3	Portfolio Description	8
2.3.1	Asset Summary	8
2.3.2	Condition Summary	9
3	FUTURE DEMAND	11
3.1	Demand Forecast	11
3.2	Demand Management Plan	11
4	LEVELS OF SERVICE	12
4.1	Community Research and Expectations	12
4.2	Community Levels of Service	12
4.3	Technical Levels of Service	14
5	LIFECYCLE MANAGEMENT STRATEGY	15
5.1	Renewal/Replacement Plan	15
5.1.1	Projected Building Renewals	15
5.1.2	Analysis	15
5.2	Creation/Acquisition/Upgrade Plan	17
5.3	Maintenance Planning	17
5.3.1	Scheduled and Unscheduled Maintenance	17
5.3.2	Future Maintenance Expenditure	17
5.4	Disposal Plan	18
6	FINANCIAL SUMMARY	19
6.1	10 Year Expenditure Projection	19
6.2	Financial Performance Measures	20
6.2.1	Asset Sustainability Ratio	20

6.2.2	Asset Renewal Funding Ratio.....	20
6.2.3	Asset Consumption Ratio	20
6.2.4	Impact of Inflation	20
6.3	Funding Strategy	20
6.4	Key Assumptions made in Financial Forecasts	20
7	ASSET CLASS RISKS AND IMPROVEMENT PLAN	22
7.1	Risk Management Plan.....	22
7.2	Improvement Plan.....	23
7.3	Monitoring and Review Procedures	23
8	SUPPORT / REFERENCE DOCUMENTS	24
8.1	Buildings Levels of Service Manual.....	24
9	APPENDICES.....	25
9.1	Appendix A Proposed 10 Year Forward Capital Works Projects	25
9.2	Appendix B Asset Register Derived Long Range Renewals Forecast.....	27
9.3	Appendix C Asset Listing	28

1 EXECUTIVE SUMMARY

1.1 Portfolio Description

Burdekin Shire Council owns/manages 149 buildings, sheds and other structures located at 58 locations or sites. A full listing of Council's Buildings portfolio is provided in Appendix C of this plan.

The total replacement value of Council's building portfolio as provided in the financial asset register at 30 June 2017 was \$71.4M.

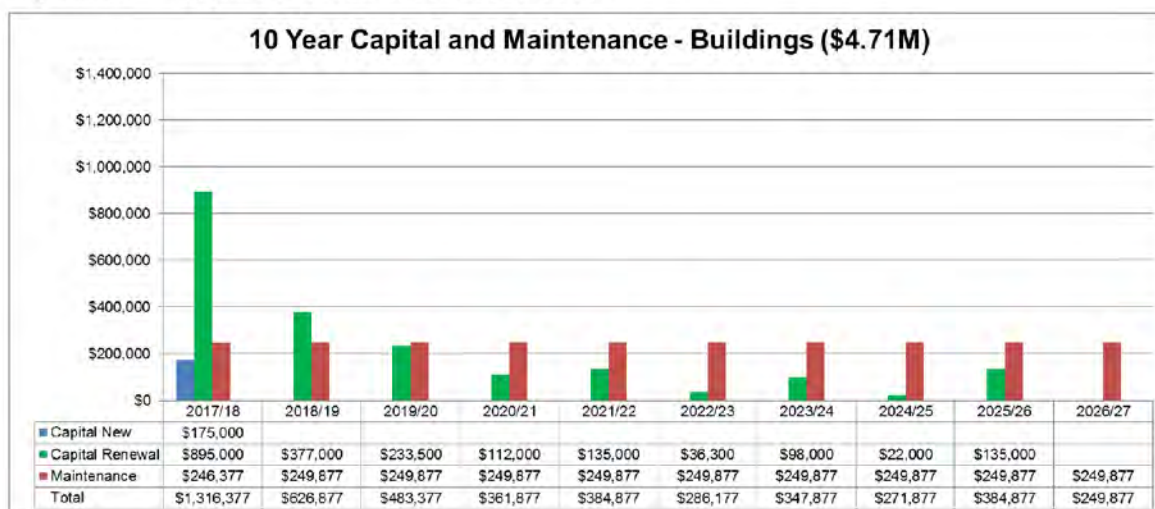
Burdekin Shire Council manages its buildings in accordance with the stakeholder group the building is servicing. These being:

- Administration – 8 buildings that provide service to the community. These comprise of council chambers and administration buildings, dwellings, Vector Office and Laboratory, Burdekin Gem and Mineral Society building, pump building and archive building.
- Community – 62 buildings that exist to service community needs. These comprise of aerodromes, library, halls, club rooms, showgrounds, sheds and sporting and community venues.
- Engineering – 16 buildings. These comprise of CBD structures and, depot buildings.
- Environment – 63 buildings and other structures. These comprise of public amenity buildings, caravan parks, vector administration, and sexton's offices, pound and swimming pools
- Heritage Buildings – included in the above stakeholder groups are the following buildings that have been heritage listed:
 - Burdekin Shire Council Chambers (Queensland Heritage Register);
 - BCA - Former National Australia Bank (Register of the National Estate); and
 - Brandon Church Building (Register of the National Estate).

1.2 Expenditure Forecast

Figure 1.1 provides a summary-level view of Council's planned capital renewal, capital new, and maintenance expenditure over the forecast period.

Figure 1.1 Capital and Maintenance Forecast



The Maintenance forecast is based on historical trends and is predicted to change minimally over the forecast period.

Key comparison figures reviewed against the planned capital renewals expenditure are as follows:

Planned capital renewals over the next ten years.	\$2,043,800
The cumulative annual depreciation over the forecast period.	\$14,665,175
The forecast expenditure generated from the asset register building components (remaining life based).	\$6,847,972

1.3 Financial Performance Measures

The following financial performance measures are based on adopting the long term financial plan (LTFP) budget.

Table 1.2 Financial Performance Measures

Performance Measure	This Plan	Previous Plan (2012)
Asset sustainability ratio	13.9%	32.6%
Future renewal funding ratio	29.9%	27.4%
Asset consumption ratio	55.7%	57.9%

Local Government Regulation 2012 Chapter 5 - Financial planning and accountability [Section 169] provides key indicators to determine how well a Local Government manages infrastructure assets.

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period). In cases where the majority of assets or groups of assets are relatively new or in good condition, the asset sustainability ratio is likely to be much lower than the recommended 90% target. This does not necessarily mean that the assets aren't being managed effectively.

In developing Council's long term financial plan, forecast asset renewals are considered. These renewals are based on asset lives and estimated renewal costs which can vary depending on individual components requiring replacement at different times.

While the ratio currently indicates that Council's building renewals are not keeping pace with depreciation, ongoing review of valuations, asset condition and asset lives including functionality and capacity assist in the development of a renewal program. This work along with an extensive maintenance program ensures that buildings are being maintained at an average condition of level 3 or better for the forecast period.

Planned renewals are currently well under the forecast requirement. During 2017/18, and in the 10 year forecast period, Council will continue to review condition and lives of assets requiring renewal to improve the long term budget allocations for buildings.

Appendix B provides a chart showing the long-term renewals forecast generated from the financial asset register. Over the next 10 years, \$6.8M in building component renewals is anticipated whilst over the next 20 years the figure is \$21.6M.

1.4 The Next Steps

The key actions and improvements resulting from this asset management plan are:

- Undertake detailed condition audits of selected facilities to determine a more accurate picture of the renewals and refurbishment needs of the buildings portfolio for the coming 10-year forecast period.
- Develop a 10-year buildings service delivery strategy.
- Undertake detailed structural condition audits of assets of significance deemed condition 4 or 5 (poor condition) by the financial valuer.

1.5 Plan Adoption Date

This Asset Management Plan was formally adopted by Burdekin Shire Council on (TBA).

2. INTRODUCTION

2.1 Purpose

This asset management plan defines Burdekin Shire Council's strategy for the responsible management of its buildings portfolio (and services provided by its buildings) in a manner that is compliant with regulatory requirements and sustainable within available resources. This plan will also be used to communicate any need for additional funding in order to provide the required levels of service.

This plan should be read in conjunction with Council's Executive Level Asset Management Plan which contains a number of sections describing Council's approach to asset management that is common across all asset management plans.

2.2 Overview of this Plan

This plan focuses on providing the following key information to assist long term planning for infrastructure and property assets to support and sustain service standards:

- Portfolio Description – provides an understanding of the current asset base used to deliver services to the community.
- Future Demand – provides an understanding of the current and future changes in demand over the forecast period to allow for the inclusion in financial planning for any growth-related capital works.
- Levels of service and performance – provides the strategic level asset performance targets and current performance to drive required capital or maintenance intervention works.
- Financial Forecasts and Sustainability Measures – provides forecast for both unrestricted and restricted budgets and their resulting impacts and implications regarding the long term sustainability of services standards.
- Asset Management Improvements – provides a listing of key action items and improvements proposed to enable future versions of this plan to improve accuracy or confidence in the forecasts made.

2.3 Portfolio Description

2.3.1 Asset Summary

Burdekin Shire Council owns/manages 149 buildings, sheds and other structures located at 58 locations or sites. A full listing of Council's Buildings portfolio is provided in Appendix C of this plan.

The total replacement value of Council's building portfolio as provided in the financial asset register at 30 June 2017 was \$71.4M.

The following table provides a summary level view of the buildings portfolio divided into stakeholder groups and facility types.

Table 2.1 Asset Summary

Facility Type	Classification	Current Asset Cost	No of Facilities	No of Buildings/Structures
Administration	Administration	\$9,208,242	1	4
	Community Venue	\$110,160	1	1
	Dwelling	\$299,526	2	2
	Pump Building	\$7,607	1	1
Community	Aerodrome	\$934,877	2	4
	Community Venue	\$25,765,831	7	10
	Library	\$4,476,958	1	1
	Racecourse	\$643,386	1	5
	SES	\$1,582,941	5	7
	Showgrounds	\$7,816,839	2	31
	Sport & Recreation	\$480,513	2	4
Engineering	CBD Structures	\$1,582,707	1	5
	Depot	\$5,020,523	2	11
Environment	Administration	\$293,827	4	4
	Caravan Park	\$2,061,906	2	9
	Nursery	\$72,624	1	2
	Pound	\$118,056	1	1
	Public Amenities	\$3,060,254	18	20
	Swimming Pool	\$7,905,974	4	27
Grand Total		\$71,442,747	58	149

2.3.2 Condition Summary

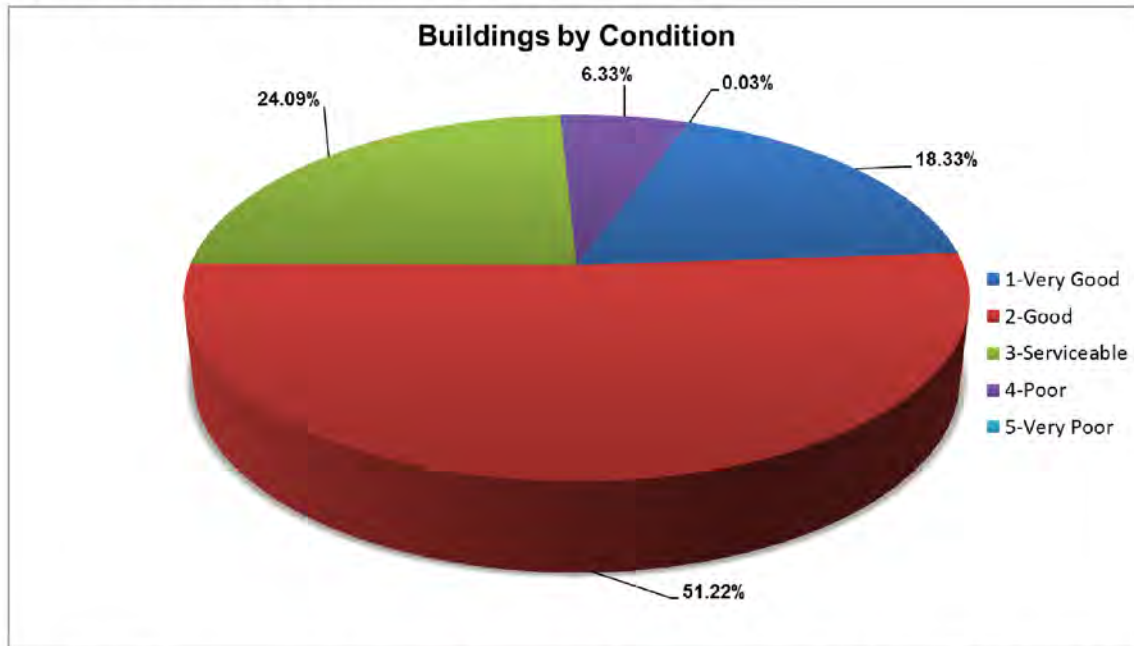
The following table and chart provide an overall view of the condition profile for the buildings portfolio by value.

Council uses an overall rating system of one (1-Very Good) to five (5-Very Poor).

Table 2.2 Condition Summary

Condition Score	Current Asset Cost	Condition Percentage	No of Components
1-Very Good	\$13,093,946	18.33%	164
2-Good	\$36,592,301	51.22%	192
3-Serviceable	\$17,211,079	24.09%	292
4-Poor	\$4,522,715	6.33%	191
5-Very Poor	\$22,706	0.03%	1
Grand Total	\$71,442,747	100.00%	840

Figure 2.3 Condition Pie Chart



The building component in condition 5 is considered in poor condition and likely to be scheduled for refurbishment or renewal within the near future. Components in condition 4 are approaching the end of their service life and may require refurbishment or complete or partial renewal within the 10-year forecast period.

As can be seen from the table and previous chart, Council only has one (0.03%) of its portfolio (\$22.7k) in condition 5. There are 48 building components, located mainly at showgrounds and swimming pools, which are classified as condition 4.

A number of significant building elements have been given a condition rating of 4 or 5 by the valuer following the previous comprehensive valuation, which is reflected in this data.

One of Council's key service standards is to maintain the portfolio's overall condition index (OCI) in a condition state of 3.0 or better. The current OCI of 2.61 is hence above the minimum level desired by Council.

3 FUTURE DEMAND

3.1 Demand Forecast

The future demand for services is derived from Council's Priority Infrastructure Plan, soon to be updated to the Local Government Infrastructure Plan as per the Sustainability Planning Act 2009.

The Executive Level Asset Management Plan describes the growth forecast for Burdekin Shire Council and results indicate only minor growth over the forecast period.

As such, any increase in demand for services provided by Council's buildings can be accommodated within the capacity and capability of the existing portfolio of assets.

3.2 Demand Management Plan

Demand shall be managed through ongoing monitoring of facility usage to ensure each facility is being well-utilised and providing value for money for Council to maintain the facility into the future.

Where there are occasions demand exceeds the available capacity (such as regular events attracting large visitor numbers), Council will give consideration to other options to address that demand.

Where facilities are underutilised, consideration will be given on how utilisation can be increased or combined with other facilities to reduce the maintenance or overall size of the asset base.

4 LEVELS OF SERVICE

4.1 Community Research and Expectations

Investigations to date regarding community expectations and satisfaction levels have been directed towards Council's overall performance rather than performance for this particular asset portfolio. Overall customer performance measures are provided in the Executive Level Asset Management Plan as well as the community and technical levels of service recorded in the following tables.

4.2 Community Levels of Service

Community levels of service relate to how the community (or users) receive the service in terms of safety, quality, quantity, reliability, accessibility and responsiveness to requests.

Table 4.1 Buildings Level of Service – Community

Key Performance Measure	Level of Service	Performance Measure	Performance Measure Process	Performance Target	Current Performance
Customer Satisfaction	User groups are satisfied with the service level provided by Council's facilities	Customer satisfaction score.	Customer feedback through Customer Request System.	85% of respondents Satisfied or Very Satisfied with the service provided by facilities.	TBA – future performance measure.
Responsiveness	User is satisfied with the responsiveness of the Council to their works request.	Percentage of work request responded to within Council's specified response time per priority level.	Works request report by priority level and time to respond.	As per Building Maintenance Levels of Service Manual and Star rating.	TBA
Safety and Security	Ensure all buildings are safe for use and provide adequate security for users.	Number of reported incidents of injury to users attributed to the building and customer requests / complaints regarding safety or security in and around building and grounds.	Works request report. Incident reports from Police or Hospital.	Zero injuries to persons and property caused by condition of facility.	TBA
Cleanliness	Ensure all buildings are clean and tidy, meet user requirements.	Number of customer requests / complaints relating to cleanliness.	Customer request system.	Less than 5 per month for all building assets.	TBA

Table 4.1 Buildings Level of Service – Community (cont.)

Key Performance Measure	Level of Service	Performance Measure	Performance Measure Process	Performance Target	Current Performance
Reliability	Ensure buildings are reliable and available for use when required by users.	Proportion of normal operating hours per year where the building is unable to provide its full functionality, e.g. heating, ventilation and air conditioning system downtime.	Work request durations that relate to reduced facility functionality such as power, heating, ventilation and air conditioning equipment, etc.	95% availability.	TBA – future performance measure.
Accessibility	All 5 and 4 star buildings to have disabled access and bathroom facilities provided in line with Disability Discrimination Act 1992 requirements at time of installation.	Number of non-compliances from disability access audits.	Disability access audit.	Zero non compliances.	TBA
Capacity	Assets are to provide adequate capacity for their current function.	Capacity required / Current capacity.	Periodic capacity requirement review.	Less than 110% for equipment and 120% for space requirements.	TBA – future performance measure.

4.3 Technical Levels of Service

Technical standards are provided to support the Community standards.

Table 4.2 Buildings Level of Service – Technical

Key Performance Measure	Level of Service	Performance Measure	Performance Measure Process	Performance Target	Current Performance
Compliance	Compliance with all Legislative, Regulatory and other mandatory standards for buildings management including fire, electrical, heating, ventilation and air conditioning, Building Codes of Australia and Workplace, Health and Safety.	Number of Non Compliance notifications from compliance audits. Compliance to be assessed against codes at time of construction.	Periodic Compliance Audits.	Zero non-compliance notifications. Any notifications to be actioned within 6 months or sooner if critical.	TBA
Condition	Maintain assets in an acceptable condition standard.	Average portfolio condition score. No. of high risk assets in poor condition.	Ongoing condition audits. Risk matrix – condition v criticality.	Average portfolio condition >3.0. Zero Extreme or High Risk assets.	2.6 TBA

5 LIFECYCLE MANAGEMENT STRATEGY

The lifecycle management plan details how Council plans to manage and maintain its assets at the agreed levels of condition and service whilst optimising life cycle costs. Council's Asset Management Strategy provides further details on the processes and systems employed to develop this asset class plan.

5.1 Renewal/Replacement Plan

Council maintains an asset register of all buildings, typically broken down into eight (8) component assets per building (substructure, superstructure, fitout, etc). Each building component is revalued periodically by external valuers, who provide a condition score and valuation details per component asset. This data, imported into predictive modelling software, generates a draft list of renewal works for the forecast period. The model projects the year each component asset will reach condition score five (end of life) in defining the draft renewals forecast.

This forecast is provided to relevant property asset managers to assess and make decisions on what projects shall be included in capital bids submissions.

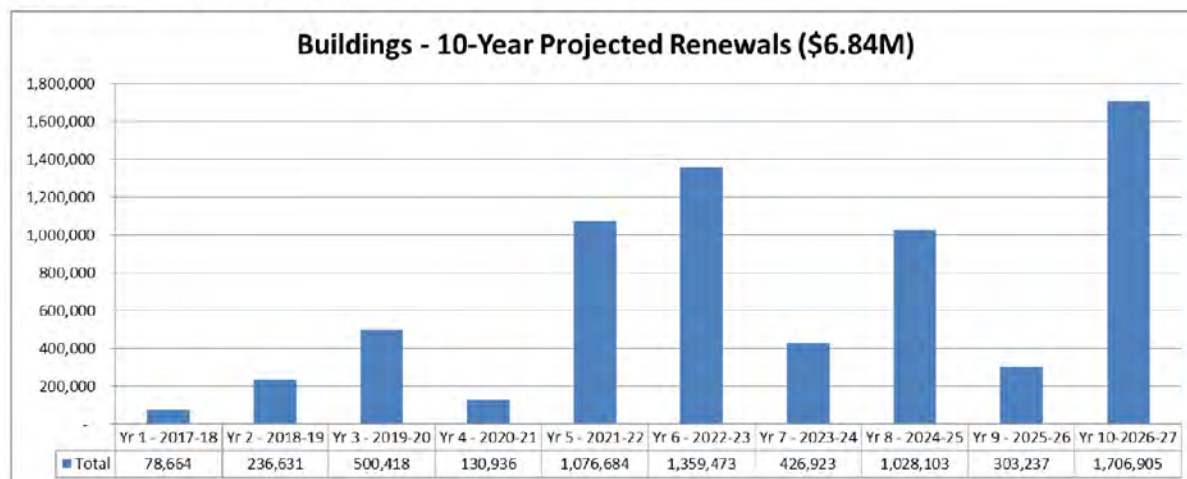
Results presented here compare and discuss the draft capital renewals program against the draft forecast proposed by modelling software.

5.1.1 Projected Building Renewals

Figure 5.1 presents the asset register forecast renewals based on asset condition scores and remaining useful lives. The total for 10 years as forecast is \$6.84M.

The current remaining useful lives in the asset register indicate 76 of the 149 Buildings (51%) require some form of renewal expenditure over the next 10 years based on the projected condition score.

Figure 5.1 –Capital Renewals Chart



5.1.2 Analysis

The current forecast expenditure projections of \$6.84M is largely driven by a combination of the valuer's findings and input from Council's Facilities Management Team over the 10-year forecast period. It appears that in a number of occasions the valuer has taken a conservative approach to condition and residual life in the absence of detailed technical condition data. For example, the Ayr and Home Hill swimming pool structures were previously assigned a condition score 5, primarily

due to their age, however, recent engineering reports indicate that they are in serviceable condition.

Additionally, the buildings are mostly divided into 8 components, which is appropriate for valuation purposes but quite coarse for use in renewals planning. To address any discrepancy between the forecast and the proposed 10-year capital works plan, it is recommended that a detailed condition audit be undertaken to further define building components into logical renewals projects - plus provide supporting technical data to inform subsequent valuations.

Information presented here indicates the proposed renewals and refurbishment capital works of \$2.04M planned for the next ten years is significantly less than the forecast of \$6.84M and the total depreciation for the period of \$14.66M. As such, the overall portfolio condition indicates deterioration over that timeframe, however, the current maintenance and monitoring undertaken is ensuring the overall condition level remains above condition 3. Further detailed condition assessment should clarify this issue, as per the proposed improvement plan.

5.2 Creation/Acquisition/Upgrade Plan

Council's capital bids for the 2017/2018 financial year identify the following building upgrade works.

Table 5.2 –Capital Upgrades

Fin Year	Description	Asset Class	Project Cost Other
2017-18	Burdekin Memorial Hall - Stair climber (Disabled Access to Stage)	Bldg C&C	\$20,000
2017-18	Mt Inkerman - Installation of Public Amenities	Bldg Env	\$80,000
2017-18	Council Chambers - Energy Efficiency Initiatives	Bldg Adm	\$15,000
2017-18	Burdekin Memorial Hall - Energy Efficiency Initiatives	Bldg C&C	\$30,000
2017-18	Jones Street Depot - Energy Efficiency Initiatives	Bldg Eng	\$30,000
Total			\$175,000

5.3 Maintenance Planning

Maintenance is the regular on-going work that is necessary to keep an asset operating within its normal serviceable physical condition, including instances where a building component fails and needs short-term repairs to make the component useable again.

5.3.1 Scheduled and Unscheduled Maintenance

Council's response to maintenance on buildings is defined in Council's Buildings Level of Service Manual. Within this manual are details of the prioritisation process used to determine the importance of each building (star rating) and hence associated response time to work requests.

The manual also identifies some of the scheduled maintenance activities undertaken by Council, including legislative inspection tasks such as:

- Building electrical inspection
- Fire-services inspection
- Pest control inspection
- Lifts/automatic doors inspection
- Air conditioning inspection

The majority of Council's maintenance expenditure is for unscheduled maintenance activities carried out in response to service requests, condition audits and management/supervisory directions.

Council does not, at present, budget or report separately on scheduled and unscheduled maintenance. However, following implementation of TechnologyOne's works and assets management system, this will be gradually introduced over coming years.

5.3.2 Future Maintenance Expenditure

Future maintenance expenditure requirements have not been modelled for this version of the building asset management plan.

An assessment of actual expenditure in the previous two years has equated to approximately 0.35% of the total replacement value of the assets in the class. Industry averages suggest levels between 1.0% and 1.5% for buildings and 3% for pools. A detailed assessment of the future maintenance requirements will be carried out as per the proposed improvement plan.

As there is only small change in the asset base over the forecast period, the maintenance budget is expected to increase for new capital works undertaken in the previous financial year. Annual reviews will take into account valuer's advice on inflation and any material and/or service cost changes.

The scheduled maintenance budget presented in the following table is estimated to be 30% of the overall maintenance budget

Table 5.3 – Building Maintenance Expenditure

Years	Maintenance Expenditure		
	Scheduled Maintenance	Unscheduled Maintenance	Total
2017/18	\$73,913	\$172,464	\$246,377
2018/19	\$74,963	\$174,914	\$249,877
2019/20	\$74,963	\$174,914	\$249,877
2020/21	\$74,963	\$174,914	\$249,877
2021/22	\$74,963	\$174,914	\$249,877
2022/23	\$74,963	\$174,914	\$249,877
2023/24	\$74,963	\$174,914	\$249,877
2024/25	\$74,963	\$174,914	\$249,877
2025/26	\$74,963	\$174,914	\$249,877
2026/27	\$74,963	\$174,914	\$249,877
		10Yr Total	\$2,495,270

5.4 Disposal Plan

Disposal includes any activity associated with disposal of a decommissioned asset including sale, demolition or relocation.

No buildings are currently under consideration for disposal.

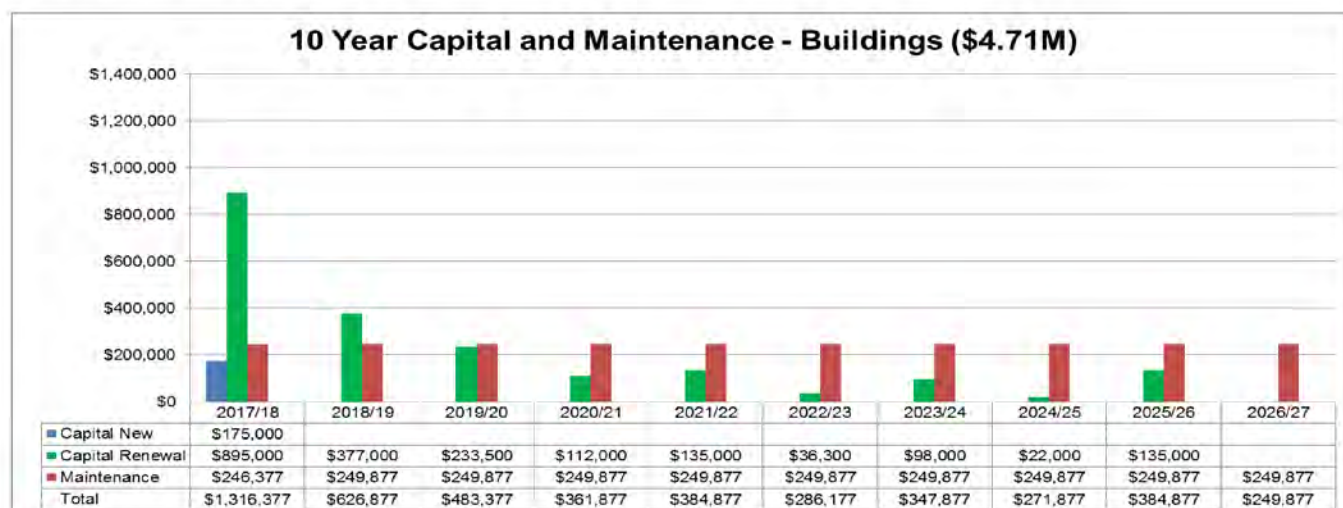
6 FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in previous sections of this asset management plan. The financial projections will be improved as further information becomes available according to desired levels of service and current and projected future asset performance.

6.1 10 Year Expenditure Projection

The following figure identifies the estimated maintenance and capital expenditure required to provide an agreed level of service to the community over the 10-year forecast period.

Figure 6.1 10 Year Expenditure Forecast



6.2 Financial Performance Measures

This section reports on the financial sustainability of the proposed forward capital works program.

Refer to the Executive Level Asset Management Plan for detailed description of each performance measure.

Council's projected depreciation expense for FY 2017/18 is \$1,465,100.

6.2.1 Asset Sustainability Ratio

Asset sustainability ratio - is capital renewal expenditure divided by the depreciation expense, expressed as a percentage.

Asset sustainability ratio = $\$204,380 / \$1,465,100 = 13.9\%$

Previous Asset Management Plan performance (2012) was 32.6%

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period).

There is a significant difference between the annual depreciation expense and the proposed capital renewal for both this financial year and collectively over the forecast period.

6.2.2 Asset Renewal Funding Ratio

Net present value (NPV) of planned capital expenditure over the forecast period is divided by the NPV of the required capital expenditure over the same period.

Future renewal funding ratio = $\$2,043,800 / \$6,847,972 = 29.8\%$

Previous asset management plan performance (2012) was 27.4% (estimated - not reported)

6.2.3 Asset Consumption Ratio

Depreciated replacement cost (DRC) divided by the current replacement cost (CRC), expressed as a percentage.

Asset consumption ratio = $\$39,818,913 / \$71,442,747 = 55.7\%$

Previous asset management plan performance (2012) was 57.9%

6.2.4 Impact of Inflation

Figures presented over the 10-year forecast period are expressed in current year terms and have not been indexed to consider inflation.

6.3 Funding Strategy

The projected expenditure identified is to be funded from Council's operating and capital budgets. The funding strategy is detailed in Council's 10-year long term financial plan.

New building capital projects beyond the next financial year are prefaced on receiving state or federal grants to combine with Council's own funding for the works to proceed.

6.4 Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are:

- Building upgrade capital works only identified in the first year.
- Renewals capital works proposed over the forecast period are specified against individual projects rather than a lump sum per annum.
- Figures are presented in current year dollars and have not been indexed over the 10-year forecast period.

7 ASSET CLASS RISKS AND IMPROVEMENT PLAN

7.1 Risk Management Plan

The following table lists the risks specific to this asset class and their current and proposed risk management controls. Refer to the Executive Level Asset Management Plan for risks that are applicable across all asset classes. These risks are described in alignment with Council's Enterprise Risk Management Policy and associated risk matrix as documented in Council Asset Management Strategy.

Table 7.1 – Corporate Risk Management Plan

					RESIDUAL RISK RATING		
ITEM NO.	RISK	CAUSES	CURRENT CONTROLS	ADDITIONAL CONTROLS (TO BE RECORDED IN 'CURRENT CONTROLS' ONCE IMPLEMENTED)	LIKELIHOOD	CONSEQUENCE	RISK RATING
1	Buildings or structures are unsafe for use.	Incorrect repairs. Poor condition. Illegal modifications.	Repairs and Maintenance undertaken by trained and licenced persons. Asset condition audits monitor condition. Modification of Council buildings done only through council process. Compliance audits for fire, electrical and Workplace, health and safety.	Implement periodic structural audits.	UNLIKELY – 3	MODERATE – 11	MEDIUM – 14
2	Damage to Corporate reputation due to general condition of some buildings and structures.	Poor overall management of building stock due to unclear allocation of managerial responsibilities. Scarce resources.	Direct responsibilities for maintenance allocated to specialist staff. Maintenance budgets developed according to regular reviews.	Capital works and associated budget preparation formally appointed to the responsible managers of each individual building.	POSSIBLE – 5	MINOR – 6	MEDIUM – 11
3	Non-compliance with current building codes and associated legislation.	Lack of awareness of changes and requirements or scarce resources.	Updates to applicable codes, policy, statutes and legislations brought to the attention of responsible managers for action.	Preparation of a suitable strategy/plan, including timeframes and clear responsibilities, formally addressing any outstanding actions.	POSSIBLE – 5	MODERATE – 11	MEDIUM – 16
4	Building stock is mismatched to community needs resulting in unnecessary expense.	Lack of clarity in terms of existing and future strategic need.	Routine monitoring of use relative to current occupancy and need.	Preparation of a suitable building strategy, addressing current and forecast demands.	POSSIBLE – 5	MINOR – 6	MEDIUM – 11
5	High failure rates of heating, ventilation and air conditioning and other major plant and equipment.	Current plant not fit-for-purpose. Poor maintenance practices. Equipment close to end of useful life.	Scheduled maintenance regime addressing plant and equipment.	Preparation of a suitable building strategy with planned replacement of plant and equipment. To be considered relative to overall Building Strategy.	POSSIBLE – 5	MODERATE – 11	MEDIUM – 16

Effective Date: 27/04/2018

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Page 22 of 33

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7.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown below.

Table 7.2 – Improvement Plan

Task No	Task	Responsibility	Timeline
1.	Undertake detailed condition audits of selected facilities to determine a more accurate picture of the renewals and refurbishment needs of the buildings portfolio for the coming 10-year outlook.	Facilities Management Coordinator	July 2018
2	Confirm strategic planning and budget responsibilities relative owners and/or responsible managers	Manager Technical Services Asset Management Coordinator	December 2018
3.	Develop a 10 year Buildings Service Delivery Strategy.	Facilities Management Coordinator	July 2019
4.	Undertake detailed structural condition audits of assets of significance deemed condition 4 or 5 by the financial valuer, e.g. Pool structures.	Facilities Management Coordinator	July 2019
5.	Undertake assessment of maintenance expenditure requirements	Facilities Management Coordinator	December 2019

7.3 Monitoring and Review Procedures

This asset management plan will be reviewed and refined during annual budget preparation and updated to recognise any changes in service levels and/or resources available to provide those services as a result of the budget decision process.

8 SUPPORT / REFERENCE DOCUMENTS

The following describes the relevant documents that support the production of this asset management plan.

Please refer to the Executive Level Asset Management Plan which details the hierarchy of asset management related documents across Council

8.1 Buildings Levels of Service Manual

Describes the portfolio of building assets and includes the desired response times for customers as well as work requests that vary depending on the priority rating applied to the asset.

9 APPENDICES

9.1 Appendix A Proposed 10 Year Forward Capital Works Projects

The following table details the capital works projects as described in Council's capital bids spreadsheet showing the split between renewal and other costs. Other costs include capital upgrades and new capital work.

Table 9.1 – Capital Bids Project Listing

Fin Year	Description	Building Renewals	Building Other	Total Project Cost
2017-18	Ayr Racecourse - Main Hall - Replace Roof Sheeting and Refurbish Overhang/Soffit	\$30,000		\$30,000
	Burdekin Memorial Hall - Energy Efficiency Initiatives		\$30,000	\$30,000
	Burdekin Memorial Hall - Replace Gable Roof	\$50,000		\$50,000
	Burdekin Memorial Hall - Replace Vinyl Floor in Minor Hall	\$20,000		\$20,000
	Burdekin Memorial Hall – Stair climber (Disabled Access to Stage)		\$20,000	\$20,000
	Council Chambers - Aircon Replacement (Admin & Eng Offices)	\$630,000		\$630,000
	Council Chambers - Energy Efficiency Initiatives	\$70,000	\$15,000	\$85,000
	Ford Park - Refurbish Existing Public Conveniences	\$45,000		\$45,000
	Funny Dunny Park - Replace Existing Public Conveniences	\$50,000		\$50,000
	Jones Street Depot - Energy Efficiency Initiatives		\$30,000	\$30,000
	Mt Inkerman - Installation of Public Amenities		\$80,000	\$80,000
2017-18 Total		\$895,000	\$175,000	\$1,070,000
2018-19	Burdekin Library - Replace Airconditioner	\$150,000		\$150,000
	Burdekin Library - Replace Carpet	\$57,000		\$57,000
	Burdekin Memorial Hall - Upgrade Theatrical Lighting to LED	\$20,000		\$20,000
	Burdekin Theatre - New Stage Legs, Borders, Cycs	\$15,000		\$15,000
	Burdekin Theatre - Replace Fly Bars	\$30,000		\$30,000
	Home Hill Works Depot Shed/Amenities - Refurb/Replace (Kitchen, Floor Coverings, Paint)	\$55,000		\$55,000
	Queen Street - Refurbish Existing Public Conveniences	\$50,000		\$50,000
2018-19 Total		\$377,000		\$377,000
2019-20	Burdekin Library - Replace Roof	\$150,000		\$150,000
	Burdekin Theatre - Replace Foyer Carpet	\$30,000		\$30,000
	Groper Creek Public Amenities - Finishes	\$10,000		\$10,000
	Plantation Creek Boat Ramp Public Amenities - Fittings and Finishes	\$22,500		\$22,500
	SES Building Home Hill Headquarters - Fittings	\$14,000		\$14,000
	SES Building Home Hill Headquarters - Services	\$7,000		\$7,000
2019-20 Total		\$233,500		\$233,500
2020-21	Burdekin Cascades Caravan Park - Refurbish Budget Cabins (x3)	\$25,000		\$25,000
	Burdekin Memorial Hall - Replace Minor Hall Air conditioner	\$75,000		\$75,000
	SES Building Home Hill Headquarters - Finishes	\$12,000		\$12,000
2020-21 Total		\$112,000		\$112,000
2021-22	Comfort Stop - Refurbishment	\$80,000		\$80,000
	Plantation Creek Boat Ramp Amenities - Refurb (Fittings, Paint, Tiling)	\$35,000		\$35,000
	Rotary Park Amenities Alva Beach - Refurb (Paint, Fittings)	\$20,000		\$20,000

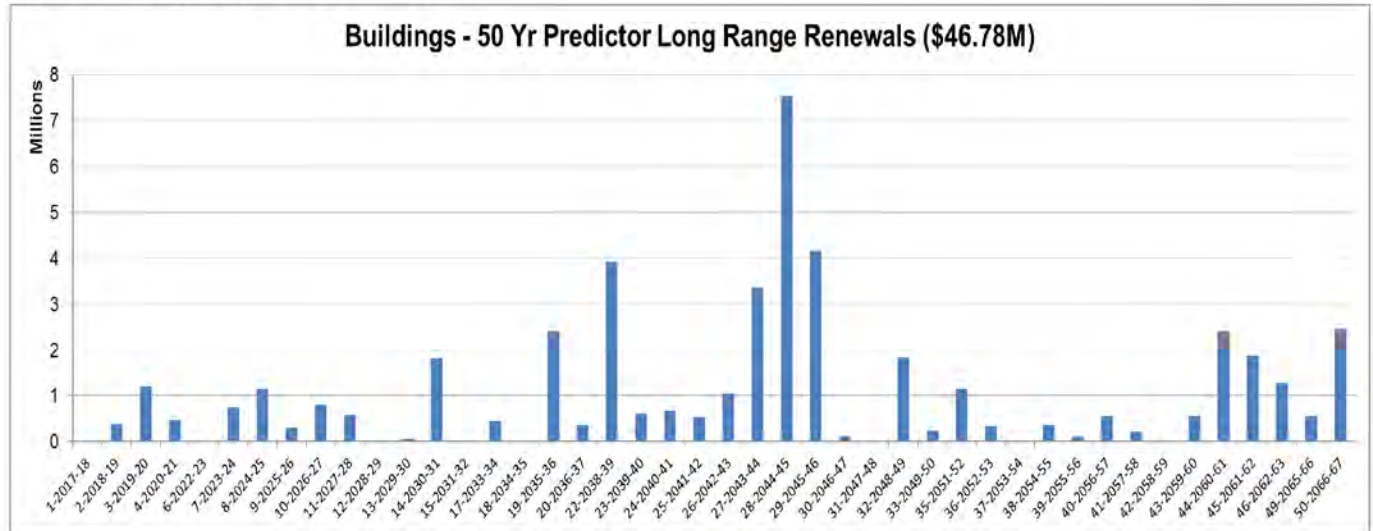
Fin Year	Description	Building Renewals	Building Other	Total Project Cost
2021-22 Total		\$135,000		\$135,000
2022-23	Burdekin Cascades Caravan Park - Refurbish Villas (x2)	\$20,000		\$20,000
	Groper Creek Public Amenities - Services	\$16,300		\$16,300
2022-23 Total		\$36,300		\$36,300
2023-24	Groper Creek Amenities - Superstructure	\$98,000		\$98,000
2023-24 Total		\$98,000		\$98,000
2024-25	Morris Creek Boat Ramp - Amenities	\$22,000		\$22,000
2024-25 Total		\$22,000		\$22,000
2025-26	Burdekin Cascades Caravan Park - Refurbish Cabins (x8)	\$100,000		\$100,000
	Plantation Park Ayr Toilets - Refurb (Fittings, Tiling, Paint)	\$35,000		\$35,000
2025-26 Total		\$135,000		\$135,000
Grand Total		\$2,043,800	\$175,000	\$2,218,800

9.2 Appendix B Asset Register Derived Long Range Renewals Forecast

The following chart provides an indication of the potential renewals requirements beyond the 10-year forecast period covered by this asset management plan.

Broad level conclusions can be drawn regarding the level of expenditure that may be required for future asset management plans.

Figure 9.2 – Long Range Asset Renewals Chart



9.3 Appendix C Asset Listing

The following table provides a listing of Councils buildings portfolio prior to audit in the asset register at 30 June 2017.

Table 9.3 – Building Portfolio Asset Listing

Classification	Facility Type and Function	Current Asset Cost	W D V
Administration	Administration		
	Council Administration Archive - Building	\$20,244	\$10,797
	Council Chambers (Original Building) - Building	\$1,580,349	\$1,106,142
	Council Main Office (Administration Building) - Building	\$7,498,318	\$5,255,654
	Vector Office and Laboratory at Council Chambers - Building	\$109,331	\$96,801
	Community Venue		
	Burdekin Gem and Mineral Society - Building	\$110,160	\$14,049
	Dwelling		
	Dwelling 12th Avenue Home Hill (back of Swimming Pool) - Building	\$167,748	\$68,698
	Dwelling 219 Burke Street Ayr (Water Treatment Dwelling) - Building	\$131,778	\$27,028
	Pump Building		
	Council Pump Building (Bore 15) - Building	\$7,607	\$2,046
Community	Aerodrome		
	Ayr Aerodrome Residence Storage Shed - Building	\$8,452	\$4,015
	Ayr Aerodrome Terminal - Building	\$663,694	\$235,594
	Dwelling Ayr Aerodrome - Building	\$136,769	\$114,008
	Home Hill Aerodrome Amenities - Building	\$125,962	\$92,035
	Community Venue		
	Brandon Church (Heritage National Estate) - Building	\$585,336	\$200,931
	Brandon Railway Ticket Office - Building	\$187,307	\$76,354
	Burdekin Community Support Centre (BCA) - Building	\$2,013,186	\$407,577
	Burdekin Memorial Hall (includes the Library) - Building	\$7,679,337	\$3,847,954
	Burdekin Rural Multi Tenant Service Centre (PCYC) - Building	\$1,214,035	\$1,104,203
	Dalbeg Community Hall - Building	\$274,827	\$177,596
	Renown Theatre Amenities Block - Brandon - Building	\$40,488	\$16,219
	Renown Theatre Hall - Building - Brandon	\$1,930,657	\$697,973
	Burdekin Rural Multi Tenant Service Centre (PCYC) - Stage 2 - Building	\$718,464	\$691,629
	Burdekin Theatre Ayr - Building	\$11,122,194	\$6,254,728
	Library		
	Burdekin Library - Cultural Complex - Building	\$4,476,958	\$2,839,686
	Racecourse		
	Ayr Racecourse - Baywatch Building - Building	\$113,214	\$96,444
	Ayr Racecourse - Block Storage - Building	\$21,103	\$18,993

Ayr Racecourse - Amenities Block - Building	\$28,130	\$23,172
Ayr Racecourse - Block Storage - Building	\$9,720	\$8,748
Ayr Racecourse - Hall & Caretaker - Building	\$471,220	\$421,759
SES		
SES Rear Shed McCathie St - Building	\$73,369	\$23,112
SES Building Ayr - Headquarters - 4 McCathie St Ayr - Building	\$886,684	\$670,903
SES Building Giru- Prefab Steel Shed - Building	\$111,305	\$101,754
SES Building Home Hill - Headquarters - Building	\$246,749	\$90,575
SES Building Home Hill - Prefab Shed - Building	\$49,439	\$34,999
SES Building Rita Island - Prefabricated Shed - Building	\$83,479	\$75,707
SES/Rural Fire Brigade Building Clare - Building	\$131,917	\$113,613
Showgrounds		
Ayr Showgrounds - Burdekin Multi-Purpose Building - Building	\$2,739,318	\$2,666,403
Ayr Showgrounds - Storage Shed (near Multi-Purpose Building) - Building	\$95,665	\$92,437
Ayr Showgrounds Ablution Block - Building	\$411,935	\$89,239
Ayr Showgrounds Bar - Open Structure - Building	\$187,936	\$54,285
Ayr Showgrounds Bird & Poultry Pavilion - Building	\$246,799	\$21,500
Ayr Showgrounds Caretakers 2 bay Sliding Door Steel Shed - Building	\$48,320	\$4,209
Ayr Showgrounds Caretakers Dwelling (Demountable) - Building	\$100,461	\$97,951
Ayr Showgrounds Kennel Club - Building	\$60,705	\$4,453
Ayr Showgrounds Lions Prefabricated Colourbond Steel Shed - Building	\$63,002	\$45,010
Ayr Showgrounds Main Hall - Building	\$1,399,431	\$860,856
Ayr Showgrounds Main Office - Building	\$187,580	\$19,502
Ayr Showgrounds Power Supply Transformer Control - Building	\$35,529	\$3,095
Ayr Showgrounds R.A Boswell Bar & Kitchen - Building	\$252,288	\$50,689
Ayr Showgrounds Radio Station - Sound Proof - Building	\$12,937	\$5,373
Ayr Showgrounds Rotary Prefabricated Colourbond Steel She - Building	\$66,192	\$47,289
Ayr Showgrounds Rotary Storage & Ticket Office - Building	\$18,594	\$3,966
Ayr Showgrounds St Francis Kitchen - Building	\$115,951	\$12,284
Ayr Showgrounds Ticket Office (Ayr side of Edwards Street) - Building	\$6,384	\$664
Ayr Showgrounds Ticket Office (Cemetery side of Edwards Street) - Building	\$6,384	\$664
Ayr Showgrounds Ticket Office (Mackenzie Street Entry) - Building	\$7,580	\$660
Home Hill Showgrounds Ablutions Block - Building	\$245,626	\$76,006
Home Hill Showgrounds Admission Office (main gate) - Building	\$30,536	\$13,742
Home Hill Showgrounds Covered Horse Stables - Building	\$26,992	\$2,700
Home Hill Showgrounds Heatley's Bar - Building	\$85,025	\$37,740
Home Hill Showgrounds Light framed roof area (near ring) - Building	\$30,059	\$3,006
Home Hill Showgrounds Main Pavilion - Building	\$1,037,814	\$696,461
Home Hill Showgrounds Old Bar (near Rodeo) - Building	\$81,589	\$14,280

	Home Hill Showgrounds Open Structure / Carport (near ablutions) - Building	\$17,040	\$4,260
	Home Hill Showgrounds Shelter (near Heatley's Bar) - Building	\$42,942	\$15,030
	Home Hill Showgrounds Tin Building (left of main gate) - Building	\$111,567	\$28,741
	Home Hill Showgrounds Tin Shed Poultry Pavilion - Building	\$44,659	\$24,099
	Sport & Recreation		
	Ayr Junior Soccer - Prefabricated Zinc Shed - Building (6 x 4)	\$10,033	\$5,769
	Ayr Junior Soccer Clubhouse - Building	\$410,055	\$43,442
	Ayr Junior Soccer Prefabricated Zinc Shed - Building (6 x 6)	\$15,704	\$4,319
	Clare Cricket Clubhouse (Demountable) - Building	\$44,721	\$26,816
Engineering	CBD Structures		
	CBD Footpath Awnings No 1 Queens Hotel - Structure - Other Structure	\$73,614	\$51,513
	CBD Footpath Awnings Nos 4 & 5 Queens Street (Delta end) - Other Structure	\$276,054	\$193,173
	CBD Northern Portal (Queens Hotel end) - Structure - Other Structure	\$211,641	\$148,099
	CBD Pedestrian Crossing & Shade Arbours Queen Street - Structure - Other Structure	\$809,757	\$566,641
	CBD Southern Portal Queens Street (ANZ Bank end) - Structure - Other Structure	\$211,641	\$148,099
	Depot		
	Home Hill Works Depot - Shed/Amenities - Building	\$280,416	\$24,429
	Jones Street Depot Archive Building - Prefabricated - Building	\$51,530	\$42,513
	Jones Street Depot Gangers Store - Building	\$59,709	\$24,363
	Jones Street Depot Parks and Gardens Coordinator Office - Building	\$30,400	\$22,483
	Jones Street Depot Poison Store - Building	\$44,782	\$18,272
	Jones Street Depot Sewerage Office (Demountable) - Building	\$27,237	\$5,448
	Jones Street Depot Staff Lunchroom (Demountable) - Building	\$57,198	\$11,441
	Jones Street Depot Store Building (Gardener) - Building	\$195,051	\$16,992
	Jones Street Depot Works Overseer Office - Building	\$1,221,523	\$613,993
	Jones Street Depot Workshop/Store - Building	\$2,943,917	\$2,092,581
	Water and Waste Water Department Office - Jones Street Depot - Building	\$108,760	\$77,010
Environment	Administration		
	Ayr Sextons Office Facility - Building	\$166,184	\$162,031
	Home Hill Sextons Office Facility - Building	\$58,960	\$57,486
	Jones Street Depot Vector Control - Prefabricated - Building	\$30,059	\$26,302
	Plantation Park Ayr Tourist Information Centre	\$38,625	\$25,345
	Caravan Park		
	Burdekin Cascades Caravan Park (BCCP) - Prefabricated Cabins (3) - Building	\$93,913	\$67,620
	Burdekin Cascades Caravan Park (BCCP) - Prefabricated Dwelling - Building	\$97,907	\$66,579
	Burdekin Cascades Caravan Park (BCCP) - Prefab Steel Shed 6m x 6m x 2.4m	\$15,704	\$11,384
	Burdekin Cascades Caravan Park (BCCP) Ablutions - Building	\$421,667	\$133,988
	Burdekin Cascades Caravan Park (BCCP) Amenities - Building	\$130,461	\$117,170

	Burdekin Cascades Caravan Park (BCCP) Cabins (2) - Building	\$102,810	\$100,227
	Burdekin Cascades Caravan Park (BCCP) Cabins (8) - Building	\$643,730	\$283,388
	Home Hill Caravan Park Amenities - Building	\$368,889	\$75,395
	Home Hill Caravan Park Cabins (2) - Building	\$186,825	\$69,957
	Nursery		
	Council Nursery Machinery Shed - Building	\$47,113	\$26,302
	Council Nursery Windy-Loo Toilet - Building	\$25,511	\$12,118
	Pound		
	Council Pound - Building	\$118,056	\$31,758
	Public Amenities		
	Arch Dunn Memorial Park - Public Convenience - Building	\$89,973	\$80,786
	Arch Dunn Memorial Park -Public Convenience - Building	\$57,358	\$43,638
	Ayr Anzac Park - Public Amenities - Building	\$132,868	\$120,892
	Beachmount Public Amenities (Hybrid 10EP - Building	\$37,203	\$8,915
	Brandon Park -Exeloo III Automatic Single - Building	\$138,952	\$108,432
	Brolga Park Amenities Giru - Building	\$251,924	\$142,517
	Comfort Stop 74 8th Ave Home Hill - Building	\$395,688	\$311,445
	Coutts Park Exeloo III Automatic Single - Building	\$138,183	\$88,441
	Cromarty Creek Landing Boat Ramp Public Amenities - Building	\$21,594	\$14,194
	Ford Park Home Hill Amenities - Building	\$104,864	\$32,449
	Groper Creek Amenities Block Hinkson Esplanade - Building	\$346,396	\$89,450
	Lions Park Amenities Block Home Hill - Building	\$148,736	\$59,020
	Morris Creek Boat Ramp Public Amenities - Building	\$23,385	\$9,343
	Plantation Creek Boat Ramp Amenities - Building	\$72,878	\$22,551
	Plantation Park Ayr Tourist Information Centre Toilets x 2	\$17,995	\$8,289
	Plantation Park Toilets - Rotary Park - Building	\$89,973	\$58,043
	Public Convenience (Comfort Stop) 74 8th Ave Home Hill - Building	\$364,958	\$254,138
	Public Convenience -119 Queen St Ayr - Building	\$339,198	\$167,919
	Rotary Park Amenities Sandowns St Alva - Building	\$269,919	\$136,180
	Wallace Creek Boat Ramp Enviro Loo D 2010 - Building	\$18,211	\$8,006
	Swimming Pool		
	Ayr Swimming Pool - Swimming Club - Building	\$83,593	\$40,385
	Ayr Swimming Pool - Timekeeper Building - Building	\$14,314	\$9,662
	Ayr Swimming Pool (Main Pool) - Pool Structure - Other Structure	\$1,555,783	\$408,406
	Ayr Swimming Pool Amenities x 2 - Building	\$350,895	\$71,717
	Ayr Swimming Pool Filtration - Building	\$32,840	\$23,248
	Ayr Swimming Pool Grandstand - Structure - Other Structure	\$158,577	\$91,183
	Ayr Swimming Pool Office/Amenities - Building	\$187,928	\$63,691
	Ayr Swimming Pool Shade Covers - Structure - Other Structure	\$55,309	\$27,656
	Ayr Swimming Pool Shade Covers shallow end (15m x 4m) - Other Structure	\$22,902	\$6,849
	Ayr Swimming Pool Wading Pool - Pool Structure - Other Structure;	\$139,164	\$36,532

	Clare Swimming Pool - Shade Covers - Other Structure	\$34,568	\$16,214
	Clare Swimming Pool (Main Pool) - Pool Structure - Other Structure	\$894,579	\$424,933
	Clare Swimming Pool Amenities/Changerooms - Building	\$319,707	\$59,047
	Clare Swimming Pool Plant Building - Building	\$38,811	\$4,473
	Home Hill Swimming Pool (Main Pool) - Pool Structure - Other Structure	\$1,569,210	\$421,354
	Home Hill Swimming Pool Grandstand - Structure - Other Structure	\$128,252	\$60,921
	Home Hill Swimming Pool Office/Amenities - Building	\$717,456	\$243,156
	Home Hill Swimming Pool Posts & Rigging for Shade Covers - Other Structure	\$55,309	\$31,418
	Home Hill Swimming Pool Shade Covers - Other Structure	\$56,889	\$17,014
	Home Hill Swimming Pool Shed Storage - Building	\$23,393	\$9,715
	Home Hill Swimming Pool Timekeeper Building - Building	\$14,314	\$10,378
	Home Hill Swimming Pool Wading Pool - Pool Structure - Other Structure	\$136,188	\$35,751
	Home Hill Wading Pool - Shade Covers - 2 x 21m x 7m Covers - Other Structure	\$8,822	\$7,702
	Millaroo Swimming Pool - Pool Structure - Other Structure	\$851,980	\$404,698
	Millaroo Swimming Pool - Shade Covers - Other Structure	\$34,568	\$20,691
	Millaroo Swimming Pool Amenities/Changerooms - Building	\$356,825	\$71,333
	Millaroo Swimming Pool Plant Building - Building	\$63,799	\$13,609
Grand Total		\$71,442,747	\$39,818,913

Drainage (Stormwater) Asset Management Plan

April 2018



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Table of Contents

1	EXECUTIVE SUMMARY	5
1.1	Portfolio Description	5
1.2	Expenditure Forecast	5
1.3	Financial Performance Measures	6
1.4	The Next Steps	6
1.5	Plan Adoption Date	6
2	INTRODUCTION	7
2.1	Purpose	7
2.2	Overview of this Plan	7
2.3	Portfolio Description	7
2.4	Condition Summary	8
3	FUTURE DEMAND	10
3.1	Demand Forecast	10
3.2	Demand Management Plan	10
4	LEVELS OF SERVICE	11
4.1	Community Research and Expectations	11
4.2	Community Levels of Service	11
4.3	Technical Levels of Service	12
5	LIFECYCLE MANAGEMENT STRATEGY	13
5.1	Renewal/Replacement Plan	13
5.1.1	Projected Drainage Renewals	13
5.1.2	Analysis	14
5.2	Creation/Acquisition/Upgrade Plan	14
5.3	Maintenance Planning	14
5.4	Disposal Plan	15
6	FINANCIAL SUMMARY	16
6.1	10 Year Expenditure Projection	16
6.2	Financial Performance Measures	17
6.2.1	Asset Sustainability Ratio	17
6.2.2	Future Renewal Funding Ratio	17
6.2.3	Asset Consumption Ratio	17
6.2.4	Impact of Inflation	17
6.3	Funding Strategy	18
6.4	Key Assumptions made in Financial Forecasts	18
7	ASSET CLASS RISKS AND IMPROVEMENT PLAN	19

7.1	Risk Management Plan	19
7.2	Improvement Plan	20
7.3	Monitoring and Review Procedures	20
8	SUPPORT / REFERENCE DOCUMENTS	21
8.1	Stormwater Levels of Service & Intervention Levels Manual	21
9	APPENDICES	22
9.1	Appendix A Council's 10 Year Capital Works Projects	22
9.2	Appendix B Asset Register Derived Long Range Renewals Forecast	23

1 EXECUTIVE SUMMARY

1.1 Portfolio Description

Burdekin Shire Council's drainage portfolio comprises mainly underground pipes, box culverts and associated inlets and pits to convey storm water away from public and private land to natural watercourses. In addition, there are a number of lined and unlined channels, and flood mitigation structures.

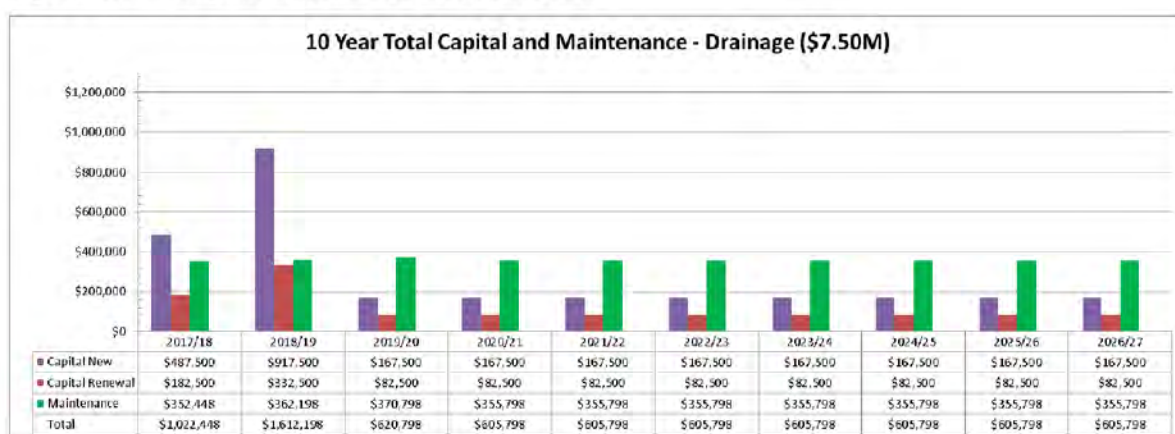
Overall, there are 39.3km of underground pipes and culverts, 2.6km of lined open channels and 965 access / inlet pits.

The total replacement value of Council's drainage portfolio as provided in the financial asset register at 30 June 2017 was \$41.7M.

1.2 Expenditure Forecast

The following chart provides a summary level view of Council's planned capital renewal, capital new, and maintenance expenditure over the outlook period.

Figure 1.1 Capital and Maintenance Forecast



The drainage asset base is expected to increase by \$2.7M over the forecast period. The consequential impact on maintenance budgets now includes an allowance for new capital works undertaken during the previous financial year. Annual reviews will take into account any revised forecasts for maintenance.

Key comparison figures reviewed against the planned capital renewals expenditure are as follows:

Planned capital renewals over the next ten years.	\$1.18M
The cumulative annual depreciation over the forecast period.	\$5.53M
What the financial asset register says should be renewed (remaining life based).	\$1.77M

1.3 Financial Performance Measures

The following financial performance measures are based on the long term financial plan (LTFP) budget.

Table 1.2 Financial Performance Measures

Performance Measure	Current Plan
Asset Sustainability Ratio (Average)	21.2%
Future Renewal Funding Ratio	66.2%
Asset Consumption Ratio	65.0%

Local Government Regulation 2012 Chapter 5 - Financial planning and accountability [Section 169] provides key indicators to determine how well a Local Government manages infrastructure assets.

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period). The asset sustainability ratio as well as the future renewals funding ratio are both low.

Appendix A contains a summary of adopted Long Term Financial Plan (LTFP) drainage capital projections. Appendix B provides a chart showing the long term renewals forecast generated from long term models over 50 years is \$40.9M. Over the next 10 years, \$1.77M in renewals is forecast, whilst over the next 20 years, \$5.13M is the anticipated expenditure.

While the ratio currently indicates that Council's drainage renewals are not keeping pace with depreciation, ongoing review of valuations, asset condition and asset lives including functionality and capacity assist in the development of a renewal program. This work, along with an extensive inspection program ensures that drainage assets are being maintained at an average condition of level 3 or better for the outlook period.

1.4 The Next Steps

The key actions and improvements resulting from this asset management plan are:

- Continue CCTV and localised inspections of higher risk conduits to confirm condition and update renewals forecasts; and
- Schedule drainage upgrades to address higher risk areas and align with roads upgrade program.

1.5 Plan Adoption Date

This Asset Management Plan was formally adopted by Burdekin Shire Council on (TBA).

2 INTRODUCTION

2.1 Purpose

This asset management plan defines Burdekin Shire Council's strategy for the responsible management of its drainage assets in a manner that is compliant with regulatory requirements and is sustainable within available resources. This plan will also be used to communicate any need for additional funding in order to provide the required levels of service.

This plan should be read in conjunction with Council's Executive Level Asset Management Plan, which contains a number of sections describing Council's approach to asset management that is common across all asset management plans.

2.2 Overview of this Plan

This plan focuses on providing the following key information to assist long term planning for infrastructure and property assets to support and sustain service standards:

- Portfolio Description – provides an understanding of the current asset base used to deliver services to the community.
- Future Demand – provides an understanding of the current and future changes in demand over the forecast period to allow for the inclusion in financial planning for any growth related capital works.
- Levels of service and performance – provides the strategic-level asset performance targets and current performance to drive required capital or maintenance intervention works.
- Financial Forecasts and Sustainability Measures – provides forecast for both unrestricted and restricted budgets and their resulting impacts and implications regarding the long term sustainability of services standards.
- Asset Management Improvements – provides a listing of key action items and improvements proposed to enable future versions of this plan to improve accuracy or confidence in the forecasts made.

2.3 Portfolio Description

Burdekin Shire Council's drainage portfolio comprises mainly underground pipes, box culverts and associated inlets and pits to convey stormwater away from public lands to natural watercourses. In addition, there are a number of lined and unlined channels, and flood mitigation works.

The total replacement value of Council's drainage portfolio as provided in the financial asset register is \$41.7M.

The following table provides a summary level view of the drainage portfolio by asset types

Table 2.1 Drainage Asset Summary

Description	Current Asset Cost	Current Units
Channel	\$4,166,770	2,635
Lined [Large]	\$3,204,970	2,164
Lined [Small]	\$375,522	467
Unlined	\$586,277	4
Concrete Invert	\$552,729	3,735
Concrete Invert	\$552,729	3,735
Conduit	\$29,920,119	39,307
Box Culvert	\$9,265,429	7,706
Drainage Pipe	\$20,654,690	31,601
Flood Mitigation	\$1,117,973	4
Mitigation Structure	\$899,686	2
Mitigation Telemetry	\$218,287	2
Gross Pollutant Trap	\$170,554	1
Gross Pollutant Trap	\$170,554	1
Inlet Pit	\$3,814,133	643
Inlet Pit Large	\$554,923	75
Inlet Pit Medium	\$55,215	6
Inlet Pit Small	\$3,203,995	562
Manhole	\$1,896,038	322
Manhole (Large)	\$260,800	24
Manhole (Medium)	\$404,373	64
Manhole (Small)	\$1,230,865	234
Outlet Structure	\$22,617	1
Outlet Structure	\$22,617	1
Grand Total	\$41,660,931	46,647

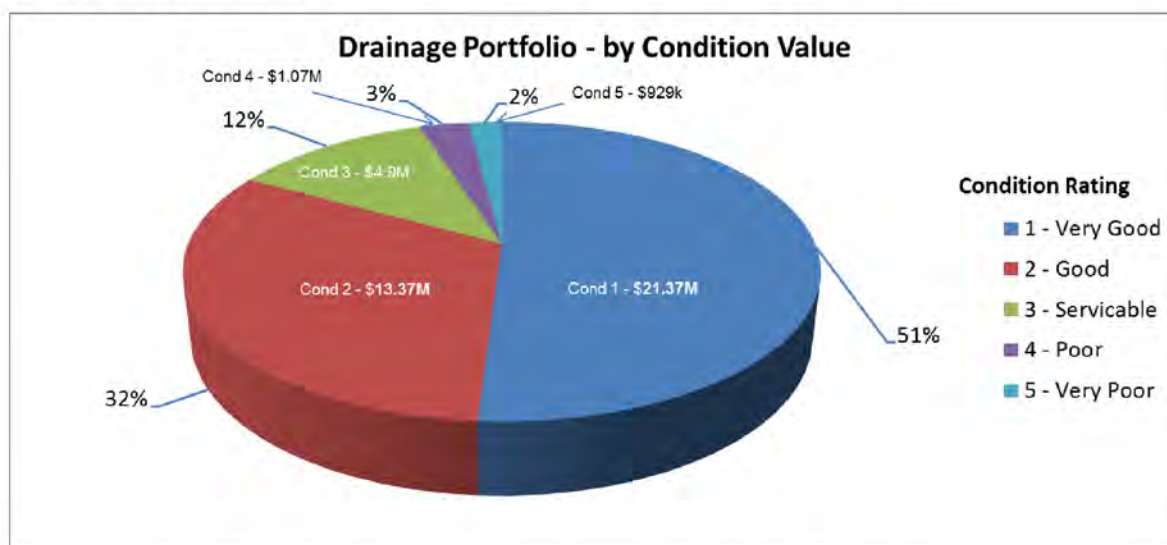
2.4 Condition Summary

The following table and chart provide an overall view of the condition profile for the stormwater portfolio by value.

Table 2.2 Condition Summary

Condition Score	Current Asset Cost	Condition %age	No of Units
1 - Very Good	\$21,373,708	51%	21,600.73
2 - Good	\$13,373,574	32%	16,725.51
3 - Serviceable	\$4,906,502	12%	6,070.82
4 - Poor	\$1,077,905	3%	1,142.28
5 - Very Poor	\$929,242	2%	1,107.67
Grand Total	\$41,660,931	100%	46,647.01

Figure 2.3 Condition Pie Chart



Assets in condition 5 are considered in very poor condition and likely to be scheduled for refurbishment or renewal within the near future. Assets in condition 4 are approaching the end of their service life and may require refurbishment or complete or partial renewal within the 10-year forecast period.

As can be seen from the previous table and chart above Council has 2% of its portfolio (\$929k) in condition 5. These are various pipes, culverts and pits, whose condition is based on inspections and revaluations over past years.

One of Council's key service standards is to maintain the portfolio's overall condition index (OCI) in a condition state of 3.0 or better.

The current OCI is 1.8 and is hence well above the target minimum of 3.0.

3 FUTURE DEMAND

3.1 Demand Forecast

The future demand for services is derived from Council's Priority Infrastructure Plan, soon to be updated to the Local Government Infrastructure Plan (LGIP) as per the Sustainable Planning Act 2009.

The Executive Level Asset Management Plan describes the growth forecast for Burdekin Shire Council and results indicate only minor growth over the forecast period.

As such, any minor increase in demand for services can be accommodated within the capacity and capability of the existing portfolio of assets. In addition, Council's proposed urban renewal programs include an allowance for additional new expenditure that replaces low capacity existing infrastructure with larger capacity drainage configurations.

3.2 Demand Management Plan

The demand for stormwater services is principally governed by the ability of the system to effectively, and efficiently, safely convey stormwater from public and private lands to natural watercourses whilst capturing and removing refuse and hard wastes entering the system. As such, the management of demand is addressed by the achievement of the levels of service specified within this plan.

The development of a stormwater strategy is currently in progress. The aim of this strategy is to identify urban areas experiencing inundation and develop a method to prioritise projects to improve the level of service provided by Council drainage networks. The strategy will also consider future development areas included in the proposed Planning Scheme and Local Government Infrastructure Plan.

4 LEVELS OF SERVICE

4.1 Community Research and Expectations

Investigations to date regarding community expectations and satisfaction levels have been directed towards Council's overall performance rather than performance for this particular asset portfolio. Overall customer performance measures are provided in the Executive Level Asset Management Plan as well as the Community and Technical levels of service recorded in the following tables.

4.2 Community Levels of Service

Community Levels of Service relate to how the community (or users) receive the service in terms of safety, quality, quantity, reliability, accessibility and responsiveness to requests.

Burdekin Shire Council is predominantly low lying flat country where it is the norm that minor flooding will occur from heavy storm events. Water is generally slow to drain away due to the low grades of pipes and watercourses. The majority of customers therefore, are generally accepting of minor flooding as long as water drains away within a reasonable timeframe.

Table 4.1 Stormwater Level of Service - Community

Key Performance Measure	Level of Service	Performance Measure	Performance Measure Process	Performance Target	Current Performance
Customer Satisfaction	Customers are satisfied with the service level provided.	Customer satisfaction score.	Customer surveys, customer request system, correspondence and social media.	85% of contacts satisfied with the service provided by the transport network.	TBA – future performance measure.
Responsiveness	User is satisfied with the responsiveness of the Council to their works request.	Compliance with targets defined in Levels of Service manual.	Regular reporting on completion of customer requests (CRM) within defined targets.	95% of targets met annually.	TBA
Safety	Public to be kept safe	Number of locations identified where public is at high risk.	Customer requests, staff knowledge.	All locations made safe, where practical, or flood protection installed.	TBA
Capacity	Flooding from stormwater into habitable rooms.	Number of customer complaints regarding flooding of habitable rooms.	Customer request reports.	Zero events.	TBA

Please note the following:

- Water escaping from natural waterways causing flooding is excluded from these performance measures.
- Flooding from overland flow, before reaching Council's drainage system is also excluded from this performance measure.

4.3 Technical Levels of Service

The following technical measures are used to support the community levels of service.

Table 4.2 Stormwater Level of Service - Technical

Key Performance Measure	Level of Service	Performance Measure	Performance Measure Process	Performance Target	Current Performance
Compliance	Compliance with all legislative, regulatory and other mandatory standards for storm drainage and waterways management.	Number of non-compliances.	Periodic review of environmental and other compliances.	< 10 non-compliances per review.	TBA
Condition	Maintain assets in an acceptable condition standard.	Average portfolio condition score.	Ongoing condition audits.	Average portfolio condition =<3.0.	1.8
		Number of high-risk assets in poor condition.	Risk matrix – condition v criticality.	Zero extreme or high-risk assets in condition 5.	Nil

5 LIFECYCLE MANAGEMENT STRATEGY

The lifecycle management plan details how Council plans to manage and maintain its assets at the agreed levels of condition and service whilst optimising life cycle costs. Council's Asset Management Strategy provides further details on the processes and systems employed to develop this asset class plan.

5.1 Renewal/Replacement Plan

Council maintains an asset register of all drainage assets. Assets are typically broken down into component parts for valuation and renewals planning such as:

- Conduits – pipes and box culverts
- Manholes (small, medium and large)
- Pits – inlet pits and access pits (large, medium and small)
- Gross pollutant traps
- Channels – lined and unlined
- Flood mitigation structures

Component assets are revalued periodically by Council staff, based upon first principles and condition scores obtained for observable assets. Depending upon movement in asset cost indices and materiality thresholds, revaluations will occur for the asset class from time to time. Updated indices data is sourced from suppliers, valuers, and other Councils.

Revised condition and financial data update asset registers, which provide extracts for modelling software to generate a draft list of renewal works for the outlook period. The model projects the year each component asset will reach condition score 5 (end of life) in defining the draft renewals forecast.

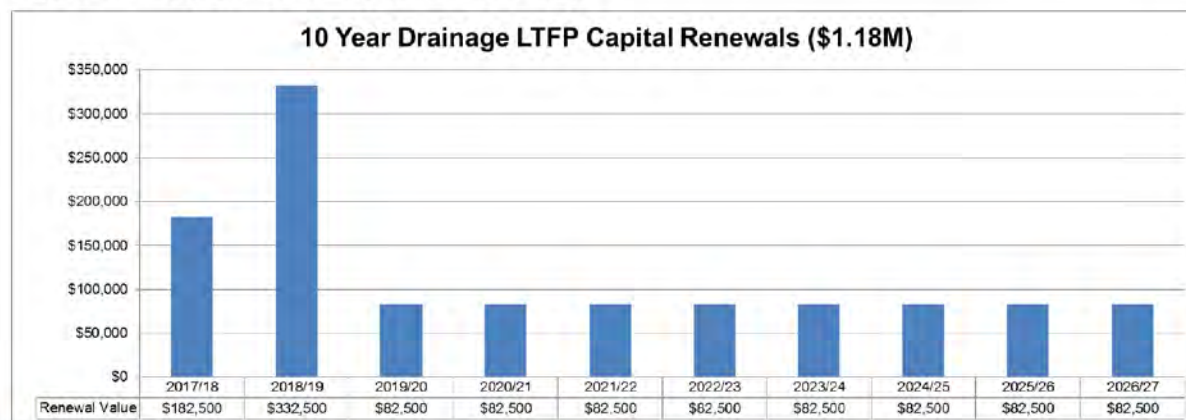
This forecast is provided to the relevant asset manager to assess and make decisions on what projects shall be included in the capital bids submission.

Results presented here compare and discuss the draft capital renewals program against the draft forecast proposed by modelling software.

5.1.1 Projected Drainage Renewals

Figure 5.1 and Appendix B present capital renewal projects that have been adopted by Council in accordance with the Long Term Financial Plan (LTFP), with an amount totalling \$1.18M over the 10-year forecast period.

Figure 5.1 –Capital Renewals Chart - Drainage

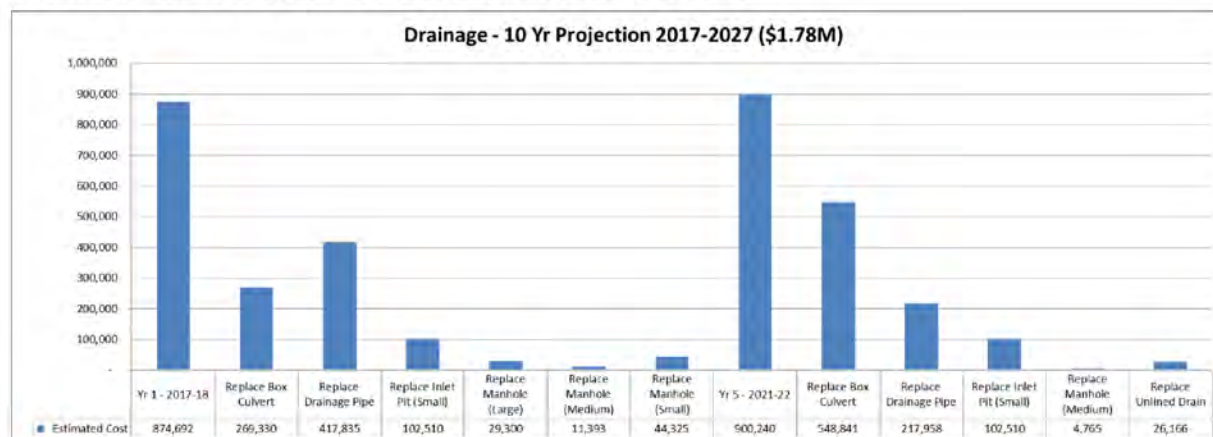


5.1.2 Analysis

The expenditure forecast is to address all stormwater assets that are in condition 5 (end of life) as described in the asset register's renewal projections. There are a total of 64 pipes, culverts or pits in condition 5. Major cost contributors to this value are:

- Edwards Street Renewals \$463,540
- Queen Street Renewals \$549,952

Figure 5.2 - Asset Register 10 Year Capital Renewals Chart



5.2 Creation/Acquisition/Upgrade Plan

Renewal and Upgrade Projects included in Council's 10-year capital bids Plan are enclosed in Appendix A.

Council propose to undertake a number of drainage upgrade works over the next ten years to address drainage deficiencies or risks starting with the duplication of the Edward Street main drainage line.

5.3 Maintenance Planning

Maintenance is the regular on-going work that is necessary to keep assets operating, within its normal serviceable physical condition, including rectification works to restore the asset back to an acceptable standard.

Scheduled and Unscheduled Maintenance

Council's response to maintenance on drainage infrastructure is defined in Council's Stormwater Level of Service Manual. Within this manual are details of the service standards plus response times to particular event types.

The majority of Council's maintenance expenditure is for unscheduled maintenance activities carried out in response to service requests, condition audits and management/supervisory directions.

Council does not at present budget or report separately on scheduled and unscheduled maintenance, however, with the development of the TechnologyOne works management system this will be gradually introduced over coming years.

Future Maintenance Expenditures

The drainage asset base is expected to increase by \$2.7M over the forecast period. The consequential impact on maintenance budgets now includes an allowance for new capital works undertaken during the previous financial year. Annual reviews will take into account any revised forecasts for maintenance.

The scheduled maintenance budget presented in the following table is estimated to be approximately 90% Scheduled, and 10% Unscheduled of the overall maintenance budget.

Maintenance expenditure trends are shown in Table 5.3 below:

Table 5.3 – Maintenance Expenditure Trends

Years	Maintenance Expenditure		
	Scheduled Maintenance	Unscheduled Maintenance	Total
2017/18	\$317,203	\$35,245	\$352,448
2018/19	\$325,978	\$36,220	\$362,198
2019/20	\$333,718	\$37,080	\$370,798
2020/21	\$320,218	\$35,580	\$355,798
2021/22	\$320,218	\$35,580	\$355,798
2022/23	\$320,218	\$35,580	\$355,798
2023/24	\$320,218	\$35,580	\$355,798
2024/25	\$320,218	\$35,580	\$355,798
2025/26	\$320,218	\$35,580	\$355,798
2026/27	\$320,218	\$35,580	\$355,798
		10Yr Total	\$3,576,030

5.4 Disposal Plan

Disposal includes any activity associated with disposal of or decommissioning an asset including sale, demolition or relocation.

No stormwater assets are currently under consideration for disposal.

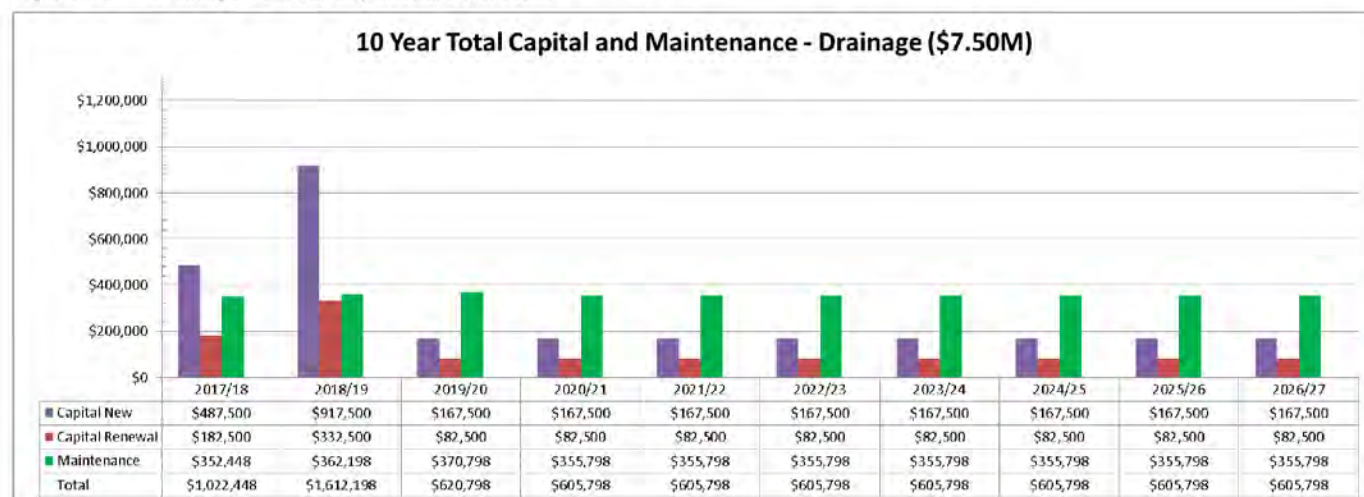
6 FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

6.1 10 Year Expenditure Projection

The following figure identifies the planned maintenance and capital expenditure proposed to provide an agreed level of service to the community over the 10 year forecast period.

Figure 6.1 Drainage 10-Year Expenditure Forecast



6.2 Financial Performance Measures

This section reports on the financial sustainability of the proposed forward capital works program.

Refer to the Executive Level Asset Management Plan for detailed description of each performance measure.

Council's projected depreciation expense for FY 2017/18 is \$534,300.

6.2.1 Asset Sustainability Ratio

Asset sustainability ratio - is capital renewal expenditure divided by the depreciation expense, expressed as a percentage.

- Asset Sustainability Ratio = $\$117,500 / 553,491 = 21.2\%$
- Previous Asset Management Plan performance (2012) was 92.79%
- The current target for the Asset Sustainability Ratio, as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period)

Indications are that this level of renewal funding over the next ten years will not sustain the overall portfolio, however reviewing the long term renewals requirements beyond the 10-year outlook indicate a significant increase in renewal for stormwater assets. As such, the renewals are not required in the short term (10 years) but will be required in the longer term. Refer Appendix B.

6.2.2 Future Renewal Funding Ratio

Future Renewal Funding Ratio is the Net present value (NPV) of planned capital expenditure over the 10-year forecast period divided by the NPV of the required capital expenditure over the same period within this asset management plan.

- Future Renewal Funding Ratio = $\$1,175,000 / \$1,774,931 = 66.2\%$.
- Previous Asset Management Plan performance (2012) was 55.7%

Renewals funding ratios will need to be monitored closely beyond the 10-year outlook period, as a high number of conduits and channels may require replacement within 30 years.

6.2.3 Asset Consumption Ratio

Depreciated replacement cost (DRC) divided by the current replacement cost (CRC), expressed as a percentage.

- Asset Consumption Ratio = $\$27,088,883 / \$41,660,931 = 65.0\%$
- Previous Asset Management Plan performance (2012) was 65.4%

A healthy measure for this portfolio is retaining almost two thirds of its service potential or value.

6.2.4 Impact of Inflation

Figures presented over the 10-year forecast period are expressed in current year terms and have not been indexed to consider inflation.

6.3 Funding Strategy

The projected expenditure identified is to be funded from Council's operating and capital budgets. The funding strategy is detailed in Council's 10-year long-term financial plan.

Capital projects beyond the next financial year are prefaced on receiving state or federal grants to combine with Council's own funding for the works to proceed.

6.4 Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are:

- Drainage upgrade capital works proposed start with \$487.5k (FY1), \$917.5k (FY 2) and \$167.5k for the remainder of the 10-year period, which is estimated to address the identified upgrade works.
- Renewals capital works proposed start with \$182k (FY1), \$332k (FY 2) and \$82.5k for the remainder of the 10-year period,
- Figures are presented in current year dollars and have not been indexed over the 10-year forecast.
- Maintenance expenditures have been indexed at a rate of 2% for new capital works and are cumulative costs over the 10-year period.

7 ASSET CLASS RISKS AND IMPROVEMENT PLAN

7.1 Risk Management Plan

The following table lists the risks specific to this asset class and their current and proposed risk management controls. Refer to the Executive Level Asset Management Plan for Risks that are applicable across all asset classes. These risks are described in alignment with Council's Enterprise Risk Management Policy and associated Risk Matrix as documented in Council's Asset Management Strategy.

Figure 7.1 – Corporate Risk Management Plan

ITEM NO.	RISK	CAUSES	CURRENT CONTROLS	ADDITIONAL CONTROLS (TO BE RECORDED IN 'CURRENT CONTROLS' ONCE IMPLEMENTED)	RESIDUAL RISK RATING		
					LIKELIHOOD	CONSEQUENCE	RISK RATING
1	Stormwater does not drain away within an adequate timeframe.	Blockages, excessive rain event, asset failures.	Regular pit cleaning program Condition assessment program Open drain and table drain cleaning program.	Planned network upgrades in priority areas susceptible to flooding risks.	POSSIBLE – 5	MODERATE - 11	MEDIUM – 16
2	Premature failure or reduced performance of subterranean infrastructure.	Premature degradation, damage caused by terrain or soil movement, vehicular stresses.	Video CCTV inspection program.	Identification of high-risk areas or common causes used to develop future inspection programs.	POSSIBLE – 5	MINOR - 6	MEDIUM – 11
3	Localised flooding and unexpected road closures during significant rain events.	Overland flow paths disrupted by private property owners.	Non-regular monitoring and observations of existing flow paths.	Monitoring and reporting of unexpected flooding. Determination of remedial works and possible intervention.	LIKELY - 7	MINOR - 6	MEDIUM – 13

7.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown below.

Table 7.2 – Improvement Plan

Task No	Task	Responsibility	Timeline
1.	Develop Stormwater Drainage Strategy	Manager Technical Services	December 2019
2.	Schedule drainage upgrades to address higher risk areas and align with roads upgrade program.	Manager Technical Services	December 2019

7.3 Monitoring and Review Procedures

This asset management plan will be reviewed and refined during annual budget preparation and amended/updated to recognise any changes in service levels and/or resources available to provide those services as a result of the budget decision process.

8 SUPPORT / REFERENCE DOCUMENTS

The following describes the relevant documents that support the production of this asset management plan.

Please refer to the Executive Level Asset Management Plan, which describes the hierarchy of asset management related documents across Council.

8.1 Stormwater Levels of Service & Intervention Levels Manual

This manual describes the list of assets that make up this portfolio and includes the desired response times to both customer and other requests for work that vary depending on the priority rating applied to the asset or asset type.

9 APPENDICES

9.1 Appendix A Council's 10 Year Capital Works Projects

The following table details the capital works projects as described in Council's capital bids spreadsheet divided into renewal and other project costs. Other costs generally align with augmentation or expansion type works.

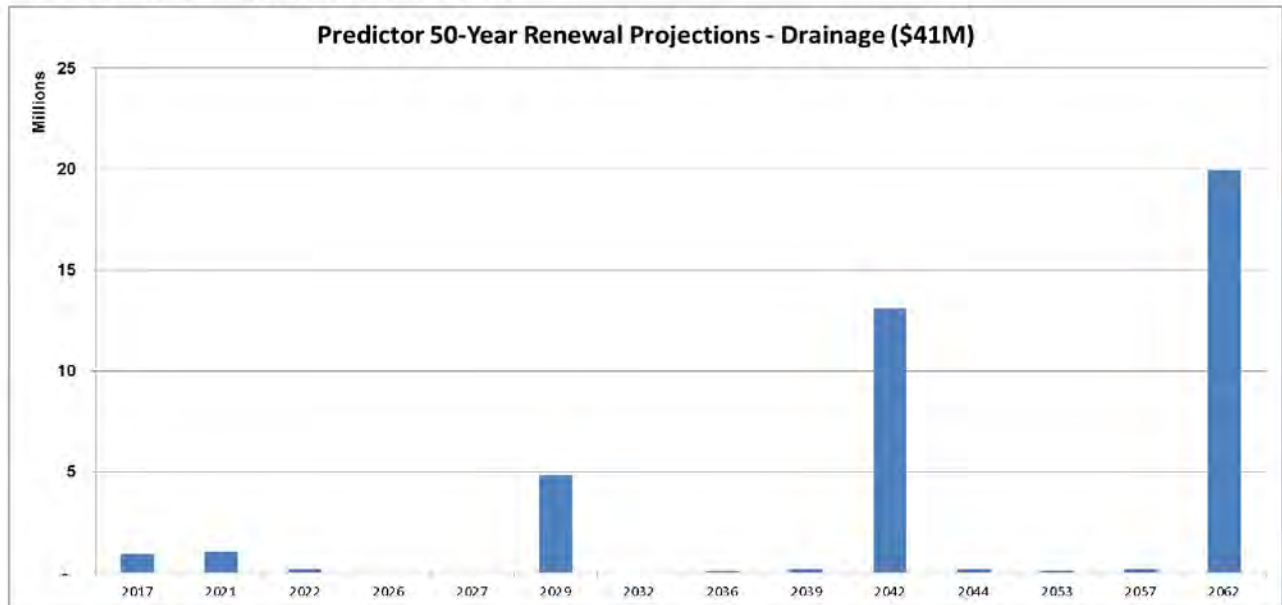
Table 9.1 – Capital Project Listing

Fin Year	Description	Drainage Renewal	Drainage Other
2017-18	Ayr Industrial Estate Expansion Project - Drainage		\$20,000
	Edward Street Drainage	\$100,000	\$300,000
	Major Drainage Schemes	\$82,500	\$167,500
2018-19	Edwards Street Drainage	\$250,000	\$750,000
	Major Drainage Schemes	\$82,500	\$167,500
2019-20	Major Drainage Schemes	\$82,500	\$167,500
2020-21	Major Drainage Schemes	\$82,500	\$167,500
	Technical Design Drainage Software - DRAINS Unlimited ILSAX replacement	\$5,000	
2021-22	Major Drainage Schemes	\$82,500	\$167,500
2022-23	Major Drainage Schemes	\$82,500	\$167,500
2023-24	Major Drainage Schemes	\$82,500	\$167,500
2024-25	Major Drainage Schemes	\$82,500	\$167,500
2025-26	Major Drainage Schemes	\$82,500	\$167,500
2026-27	Major Drainage Schemes	\$82,500	\$167,500
Grand Total		\$1,180,000	\$2,745,000

9.2 Appendix B Asset Register Derived Long Range Renewals Forecast

The following chart provides an indication of the potential drainage renewal requirements beyond the 10-year outlook period covered by this asset management plan. Broad level conclusions can be drawn regarding the level of expenditure that may be required for future asset management plans.

Figure 9.2 – Long Range Asset Renewals Chart



Executive Level Asset Management Plan

April 2018

Document Control		Next Document Review – July 2020 (Financials reviewed annually)			
Document ID: (1323047)					
Rev No	Date	Revision Details	Author	Reviewer	Approver
V1.0	May 2016	Initial Draft	RM/RN		
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V2.1	October 2016	Initial Draft	RM/RN	KB/JM	
V2.2	April 2018	Revised Draft	RN	KB/AMG	
V2.2	April 2018	Final Draft	RN	KB/AMG	

Adopted by Council on:	
Item No:	

Contents

1. INTRODUCTION.....	5
1.1 Audited Infrastructure Asset Values	5
2. ASSET MANAGEMENT PLANS PROPOSED EXPENDITURE	6
2.1 Proposed Expenditures by Asset Class and Activity Type.....	6
2.2 Capital Renewals – Proposed v Forecast	8
2.3 Financial Performance Measures.....	14
2.4 Financial Outlook Commentary	15
2.5 Anticipated Funding Levels and Implications.....	15
3. BACKGROUND INFORMATION.....	16
3.1 The Burdekin Region	16
3.2 What Council Provides.....	16
3.3 Council's Approach to Asset Management Planning	17
3.4 Measuring Performance.....	17
3.4.1 Approach	17
3.5 Documentation Hierarchy.....	18
3.6 Asset Management Roles and Responsibilities.....	19
3.7 Council Vision, Mission and Values	19
3.8 Asset Management Objectives.....	19
3.9 Overview of Asset Planning Process	20
4. FUTURE DEMAND	21
4.1 Demand Forecast	21
5. LEVELS OF SERVICE.....	23
5.1 Overview.....	23
5.2 Community Research and Expectations	23
5.3 Legislative Requirements	24
5.4 Condition Assessment and Ratings	24
5.5 Maintenance Levels of Service and Intervention	25
6. FINANCIAL SUMMARIES.....	26
6.1 Financial Performance	26
6.1.1 Asset Sustainability Ratio.....	26
6.1.2 Future Renewal Funding Ratio	26
6.1.3 Asset Consumption Ratio.....	26
6.2 Impact of Inflation	26
7. ASSET MANAGEMENT SUPPORT SYSTEMS.....	27
7.1 Accounting/Financial Systems	27
7.2 Asset Management Systems	27

7.3	Records Management Systems	27
7.4	Information Flow Requirements and Processes	27
8.	CORPORATE LEVEL ASSET MANAGEMENT RISKS AND IMPROVEMENTS	28
8.1	Risks Management Plan	28
8.2	Improvement Plan - Assets	29
9.	APPENDICES	30
9.1	Appendix A Abbreviations	30
9.2	Appendix B Glossary	31
9.3	Appendix C Legislative Compliance Requirements	37
9.3.1	Common Asset Management Related Legislation.....	37
9.3.2	Buildings Related Legislation	38
9.3.3	Drainage Related Legislation	39
9.3.4	Sewerage Related Legislation	41
9.3.5	Transport Related Legislation	42
9.3.6	Water Related Legislation	43

1. INTRODUCTION

The purpose of this Executive Level Asset Management Plan is broadly twofold, namely:

1. To provide an aggregated view of the proposed expenditure presented in each asset management plan and discuss, at a corporate level, the key issues or implications associated with anticipated funding levels. For this version there are five (5) core asset management plans;

- Buildings
- Drainage (Stormwater)
- Sewerage
- Transport
- Water

And,

2. Providing guidance and explanation regarding common elements of each asset management plan created by Council. Centralising the information in this Executive Plan avoids duplication of material that would normally appear within each individual asset management plan.

Accordingly, each individual asset management plan has been condensed to a more readable document that focuses on the key issues relevant to the asset class and makes reference, where necessary, to support documentation contained within this Executive Plan.

1.1 Audited Infrastructure Asset Values

The following table contains final audited financial details for the five asset classes as at 30th June 2017.

Infrastructure Values 30 June 2017	Buildings	Drainage	Sewerage	Transport	Water	Total
Current Replacement Cost (CRC)	\$71,442,745	\$41,660,933	\$75,904,575	\$400,307,546	\$41,127,185	\$630,442,984
Accumulated Depreciation	\$31,623,833	\$14,572,048	\$41,352,432	\$62,476,016	\$19,120,898	\$169,145,227
Current Written Down Value (WDV)	\$39,818,912	\$27,088,885	\$34,552,143	\$337,831,530	\$22,006,287	\$461,297,757

2. ASSET MANAGEMENT PLANS PROPOSED EXPENDITURE

2.1 Proposed Expenditures by Asset Class and Activity Type

The following table and chart describes the planned 10-year Long Term Financial Plan (LTFP) expenditure program for the five (5) principal asset portfolios of Burdekin Shire Council.

Table 2.1 – Expenditure Proposed

AM Plan	Expenditure Type	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Grand Total
Buildings	Capital Renewal	\$895,000	\$377,000	\$233,500	\$112,000	\$135,000	\$36,300	\$98,000	\$22,000	\$135,000		\$2,043,800
	Capital New	\$175,000										\$175,000
	Total Capital	\$1,070,000	\$377,000	\$233,500	\$112,000	\$135,000	\$36,300	\$98,000	\$22,000	\$135,000		\$2,218,800
	Maintenance	\$246,377	\$249,877	\$249,877	\$249,877	\$249,877	\$249,877	\$249,877	\$249,877	\$249,877	\$249,877	\$2,495,270
	Total Expenditure	\$1,316,377	\$626,877	\$483,377	\$361,877	\$384,877	\$286,177	\$347,877	\$271,877	\$384,877	\$249,877	\$4,714,070
Drainage	Capital Renewal	\$182,500	\$332,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$1,175,000
	Capital New	\$487,500	\$917,500	\$167,500	\$167,500	\$167,500	\$167,500	\$167,500	\$167,500	\$167,500	\$167,500	\$2,745,000
	Total Capital	\$670,000	\$1,250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$3,920,000
	Maintenance	\$352,448	\$362,198	\$370,798	\$355,798	\$355,798	\$355,798	\$355,798	\$355,798	\$355,798	\$355,798	\$3,576,030
	Total Expenditure	\$1,022,448	\$1,612,198	\$620,798	\$605,798	\$605,798	\$605,798	\$605,798	\$605,798	\$605,798	\$605,798	\$7,496,030
Sewerage	Capital Renewal	\$2,315,000	\$1,865,000	\$300,000	\$350,000	\$1,400,000	\$350,000	\$400,000	\$1,450,000	\$400,000	\$400,000	\$9,230,000
	Capital New	\$40,000	\$1,700,000	\$1,250,000								\$2,990,000
	Total Capital	\$2,355,000	\$3,565,000	\$1,550,000	\$350,000	\$1,400,000	\$350,000	\$400,000	\$1,450,000	\$400,000	\$400,000	\$12,220,000
	Maintenance	\$838,894	\$839,694	\$873,694	\$898,694	\$898,694	\$898,694	\$898,694	\$898,694	\$898,694	\$898,694	\$8,843,140
	Total Expenditure	\$3,193,894	\$4,404,694	\$2,423,694	\$1,248,694	\$2,298,694	\$1,248,694	\$1,298,694	\$2,348,694	\$1,298,694	\$1,298,694	\$21,063,140
Transport	Capital Renewal	\$4,320,200	\$4,081,000	\$4,142,400	\$4,204,400	\$4,267,000	\$4,331,200	\$4,396,600	\$4,462,600	\$4,529,200	\$4,608,000	\$43,342,600
	Capital New	\$2,496,800	\$2,102,000	\$2,133,600	\$2,165,600	\$2,198,000	\$2,230,800	\$2,264,400	\$2,298,400	\$2,332,800	\$2,372,000	\$22,594,400
	Total Capital	\$6,817,000	\$6,183,000	\$6,276,000	\$6,370,000	\$6,465,000	\$6,562,000	\$6,661,000	\$6,761,000	\$6,862,000	\$6,980,000	\$65,937,000
	Maintenance	\$2,724,831	\$2,774,767	\$2,816,807	\$2,859,479	\$2,902,791	\$2,946,751	\$2,991,367	\$3,036,655	\$3,082,623	\$3,129,279	\$29,265,350
	Total Expenditure	\$9,541,831	\$8,957,767	\$9,092,807	\$9,229,479	\$9,367,791	\$9,508,751	\$9,652,367	\$9,797,655	\$9,944,623	\$10,109,279	\$95,202,350
Water	Capital Renewal	\$1,280,000	\$980,000	\$600,000	\$350,000	\$350,000	\$350,000	\$400,000	\$400,000	\$400,000	\$400,000	\$5,510,000
	Capital New	\$210,000	\$2,000,000				\$100,000	\$1,500,000				\$3,810,000
	Total Capital	\$1,490,000	\$2,980,000	\$600,000	\$350,000	\$350,000	\$450,000	\$1,900,000	\$400,000	\$400,000	\$400,000	\$9,320,000
	Maintenance	\$317,902	\$322,102	\$362,102	\$362,102	\$362,102	\$362,102	\$364,102	\$394,102	\$394,102	\$394,102	\$3,634,820
	Total Expenditure	\$1,807,902	\$3,302,102	\$962,102	\$712,102	\$712,102	\$812,102	\$2,264,102	\$794,102	\$794,102	\$794,102	\$12,954,820
Total		\$16,882,452	\$18,903,638	\$13,582,778	\$12,157,950	\$13,369,262	\$12,461,522	\$14,168,838	\$13,818,126	\$13,028,094	\$13,057,750	\$141,430,410

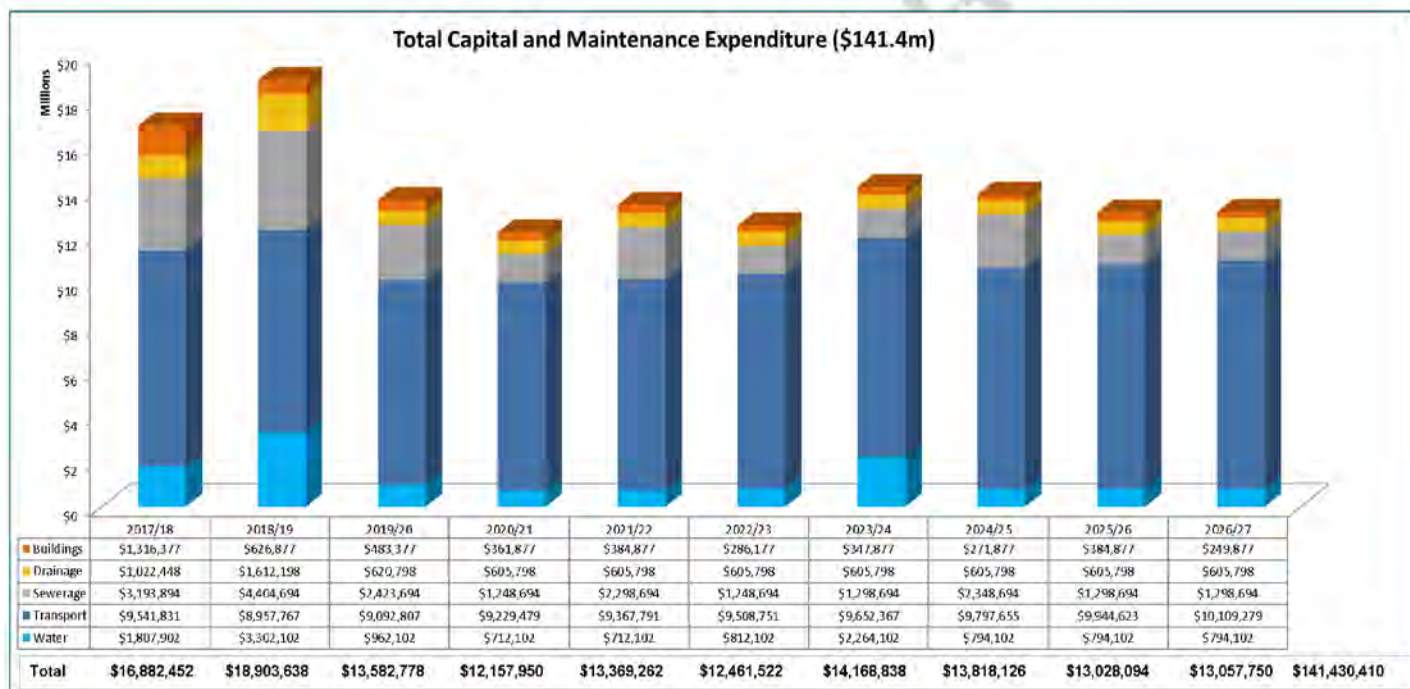
Effective Date: 19/04/2018

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Page 6 of 44

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Figure 2.3 Chart – 10-Year Totals for Proposed Expenditure



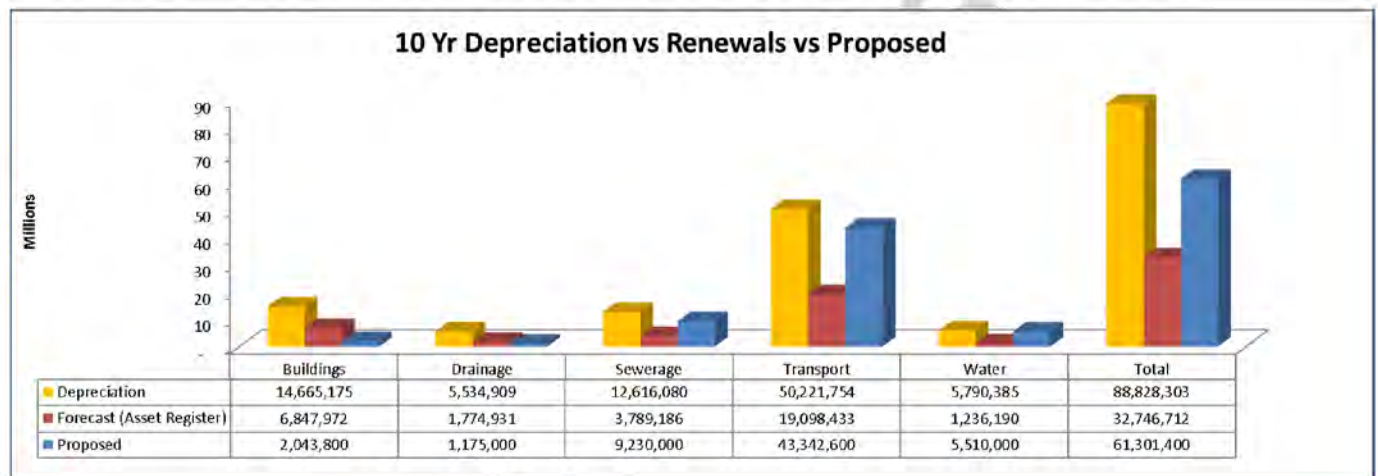
2.2 Capital Renewals – Proposed v Forecast

Table 2.4 Annual Depreciation v Forecast Expenditures v Proposed

Expenditure Type	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	Grand Total
Buildings - Depreciation	\$1,465,100	\$1,466,675	\$1,466,675	\$1,466,675	\$1,466,675	\$1,466,675	\$1,466,675	\$1,466,675	\$1,466,675	\$1,466,675	\$14,666,176
Buildings - Forecast (Asset Register)	\$78,664	\$236,631	\$500,418	\$130,936	\$1,076,684	\$1,359,473	\$426,923	\$1,028,103	\$303,237	\$1,706,905	\$6,847,974
Buildings - Proposed	\$895,000	\$377,000	\$233,500	\$112,000	\$135,000	\$36,300	\$98,000	\$22,000	\$135,000		\$2,043,800
Drainage - Depreciation	\$534,300	\$543,081	\$549,862	\$551,956	\$554,050	\$556,144	\$558,238	\$560,332	\$562,426	\$564,520	\$5,534,909
Drainage - Forecast (Asset Register)	\$26,166	\$42,587	\$832,105			\$16,705		\$833,335	\$24,033		\$1,774,931
Drainage - Proposed	\$182,500	\$332,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$82,500	\$1,176,000
Sewerage - Depreciation	\$1,223,200	\$1,237,120	\$1,260,720	\$1,270,720	\$1,270,720	\$1,270,720	\$1,270,720	\$1,270,720	\$1,270,720	\$1,270,720	\$12,616,080
Sewerage - Forecast (Asset Register)		\$1,234,890	\$13,767	\$1,331,182	\$697,803		\$38,140	\$20,464		\$452,940	\$3,789,186
Sewerage - Proposed	\$2,315,000	\$1,865,000	\$300,000	\$350,000	\$1,400,000	\$350,000	\$400,000	\$1,450,000	\$400,000	\$400,000	\$9,230,000
Transport - Depreciation	\$4,902,600	\$4,930,193	\$4,955,607	\$4,981,402	\$5,007,584	\$5,034,157	\$5,061,128	\$5,088,505	\$5,116,292	\$5,144,286	\$50,221,754
Transport - Forecast (Asset Register)	\$21,642	\$382,926	\$906,934	\$173,273	\$746,153	\$507,382	\$1,595,647	\$298,234	\$2,171,468	\$12,294,774	\$19,098,433
Transport - Proposed	\$4,320,200	\$4,081,000	\$4,142,400	\$4,204,400	\$4,267,000	\$4,331,200	\$4,396,600	\$4,462,600	\$4,529,200	\$4,608,000	\$43,342,600
Water - Depreciation	\$548,300	\$562,665	\$575,665	\$575,665	\$575,665	\$576,315	\$586,715	\$596,465	\$596,465	\$596,465	\$5,790,386
Water - Forecast (Asset Register)	\$34,035	\$281,364	\$322,693	\$116,776	\$70,178	\$222,519	\$33,882	\$19,812	\$134,931		\$1,236,190
Water - Proposed	\$1,280,000	\$980,000	\$600,000	\$350,000	\$350,000	\$350,000	\$400,000	\$400,000	\$400,000	\$400,000	\$5,510,000
Total Depreciation	\$8,673,500	\$8,739,734	\$8,808,529	\$8,846,418	\$8,874,694	\$8,904,011	\$8,943,476	\$8,982,697	\$9,012,578	\$9,042,666	\$88,828,303
Total Forecast (Asset Register)	\$160,507	\$2,178,398	\$2,575,917	\$1,752,167	\$2,590,818	\$2,106,079	\$2,094,592	\$2,199,948	\$2,633,689	\$14,454,619	\$32,746,714
Total Proposed	\$8,992,700	\$7,635,500	\$5,358,400	\$5,098,900	\$6,234,500	\$5,160,000	\$5,377,100	\$6,417,100	\$5,546,700	\$5,490,600	\$61,301,400

The following table compares the 10 year totals for proposed (Capital Renewals) verses asset register forecast compared against depreciation.

Figure 2.5 Chart – 10 Year Totals for Depreciation, Forecast Renewals (Asset Register) and Proposed Renewals.



Commentary

The previous table and chart shows the comparison between proposed capital works as described within the capital bids spreadsheet prepared by Council; and the forecast expenditure required by Council's asset-register renewals, remaining life based, and the depreciation expense anticipated over the same period.

Comparing the proposed renewals against depreciation gives an indication whether Council is sufficiently replenishing or maintaining the asset stock from a macro perspective. As can be seen, proposed capital renewal expenditure (excluding new works) totals \$61.3M over the forecast period whilst depreciation totals \$88.8M. This equates to 69.0% of the depreciation expense.

Local Government Regulation 2012 Chapter 5 - Financial planning and accountability [Section 169] provides key indicators to determine how well a Local Government manages infrastructure assets.

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period). In cases where the majority of assets or groups of assets are relatively new or in good condition, the asset sustainability ratio is likely to be much lower than the recommended 90% target. This does not necessarily mean that the assets aren't being managed effectively.

In developing Council's long term financial plan, forecast asset renewals are considered. These renewals are based on asset lives and estimated renewal costs which can vary depending on individual components requiring replacement at different times.

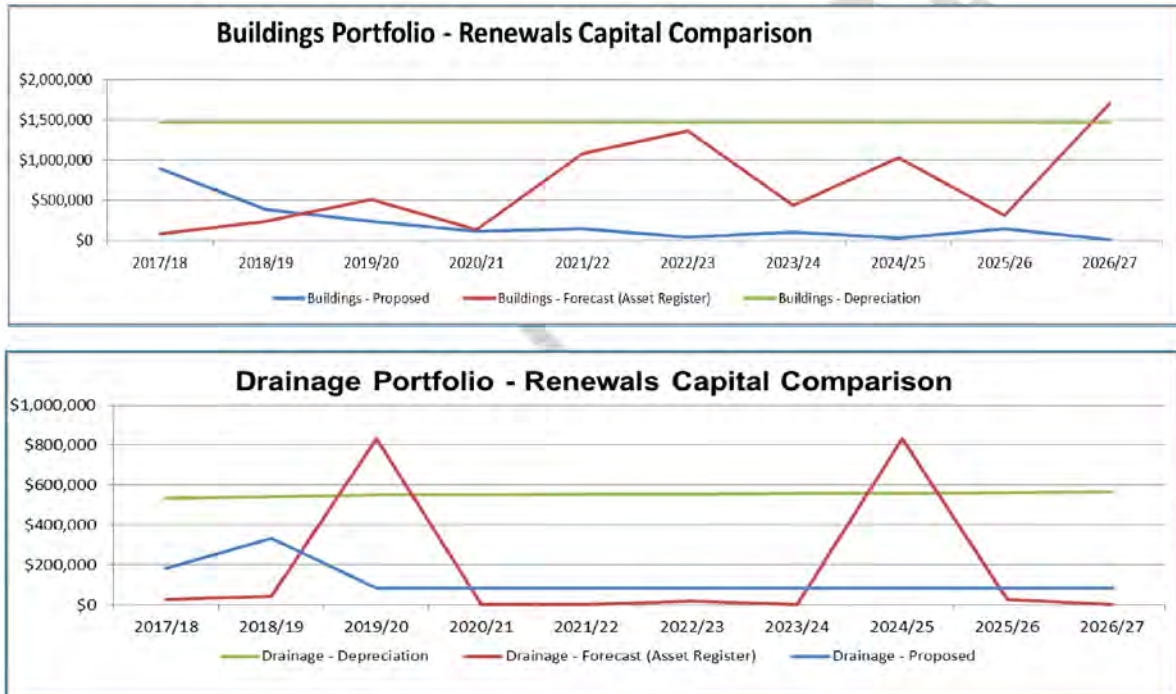
While cognisant of the target of 90% for renewals, Council first takes into consideration the optimal timing for renewals. In Burdekin Shire Council's case, 69.0% is a robust amount as longer term projections indicate a higher level of investment required beyond the forecast period as older assets reach their end of life.

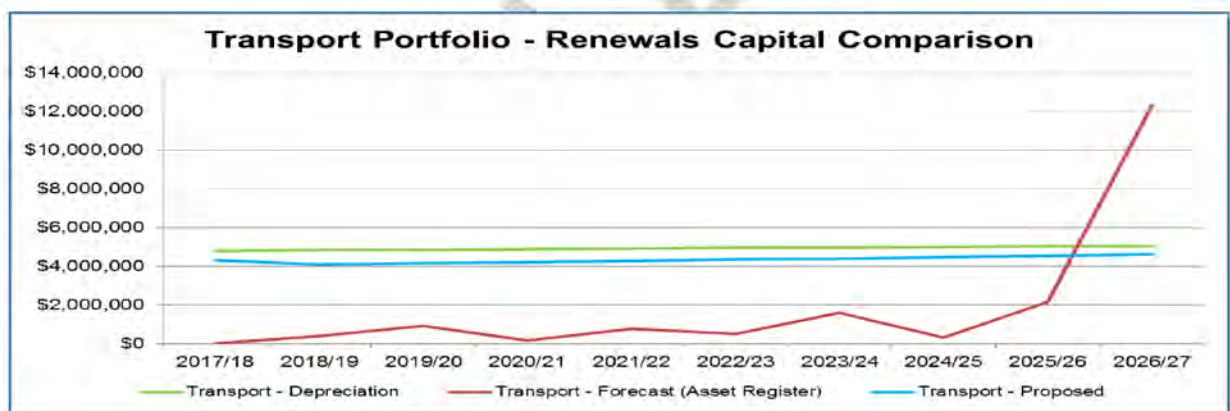
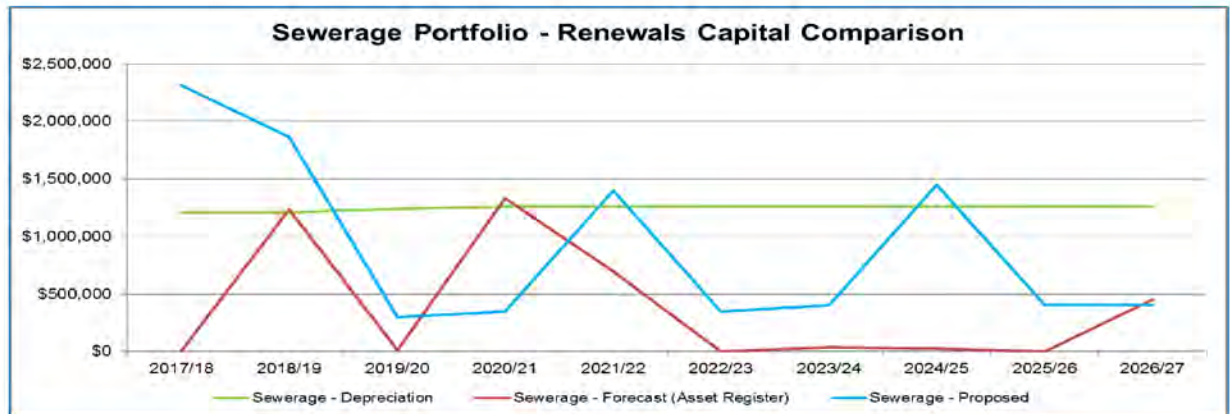
Issues to note for specific asset classes:

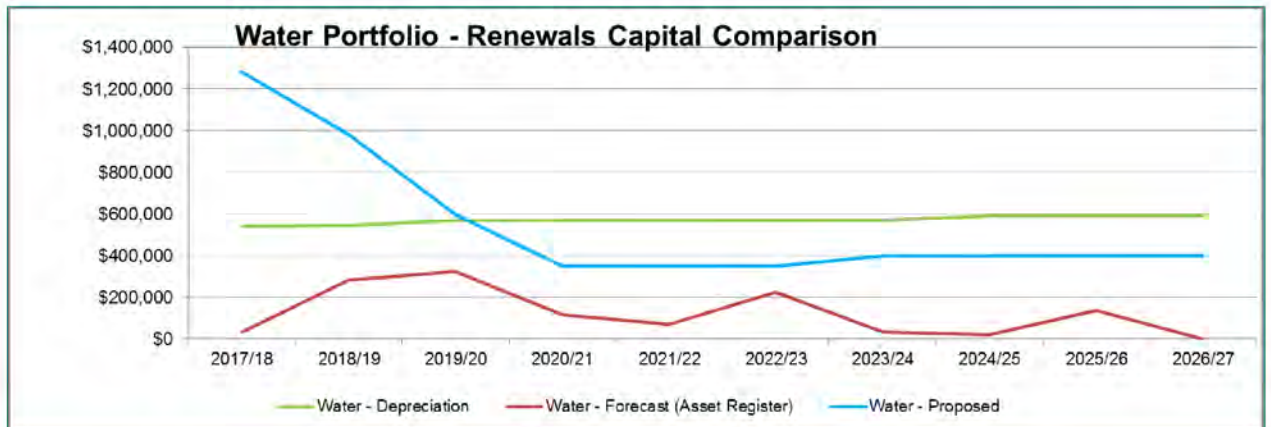
- Buildings and Drainage – proposed renewal capital is much lower than both depreciation and the projected 10-year forecast. While this typically indicates underfunding, another reason could be the need for the refinement of Council's model output and the assessment of condition and remaining useful lives. An improvement project has been identified to undertake a review of the long term model inputs, including partial renewal costs, asset conditions, and assessment guidelines.
- Transport, Sewerage and Water – the forecast renewals capital is generally more in line with the total depreciation over the forecast period.

The following tables show comparisons between the proposed (Capital bids), Forecast Renewals Capital (asset register) and Annual Depreciation. As can be seen, the outputs from the asset register can vary from the proposed capital investment.

Figure 2.6 Charts – Comparison of Proposed v Forecast v Annual Depreciation







Final

2.3 Financial Performance Measures

The following table summarises the financial performance indicators from each of the five plans and compares them with the previous plans.

Table 2.7 Financial Performance Measures

Financial Measures	Buildings	Drainage	Sewerage	Transport	Water
10 year Average Annual Depreciation	\$1,466,518	\$553,491	\$1,261,608	\$5,022,175	\$579,039
Asset Sustainability Ratio (ASR)					
ASR (2016/17)	13.9%	21.2%	73.2%	86.3%	95.2%
ASR (Previous AM Plan)	32.6%	322.2%	88.5%	127.2%	122.8%
Future Renewal Funding Ratio (FRFR)					
FRFR	29.8%	66.2%	243.6%	226.9%	445.7%
FRFR (Previous AM Plan)	27.4%	55.7%	100.0%	100.0%	73.9%
Asset Consumption Ratio (ACR)					
ACR	55.7%	65.0%	45.5%	84.4%	53.5%
ACR (Previous AM Plan)	57.9%	65.0%	45.5%	84.0%	53.5%
Life Cycle Sustainability Index					
LCC	\$1,716,045	\$911,094	\$2,145,922	\$7,948,710	\$942,521
LCE	\$453,907	\$475,103	\$1,807,314	\$7,260,795	\$914,482
LCE/LCC	26.5%	52.1%	84.2%	91.3%	97.0%
LCE/LCC (Previous AM Plan)	50.1%	86.0%	95.2%	115.1%	105.2%
Asset Sustainability Ratio	Capital expenditure on replacement or renewal of assets divided by the depreciation expense, expressed as a percentage.				
Future Renewal Funding Ratio	Net present value (NPV) of planned capital expenditure over the planning period divided by the NPV of the required capital expenditure over the same period within this asset management plan.				
Asset Consumption Ratio	Depreciated replacement cost (DRC) divided by the current replacement cost (CRC), expressed as a percentage.				
Life Cycle Sustainability Index	Life Cycle Expenditure (Proposed) = average annual capital renewal expenditure + annual maintenance expenditure.				

2.4 Financial Outlook Commentary

Buildings - The asset sustainability ratio as well as the future renewals funding ratio are both low. This indicates that renewals expenditure, both for the coming financial year and the ten-year outlook period is below the anticipated required expenditure. The average annual proposed renewal expenditure is \$204,380, whilst annual depreciation is \$1,466,518.

Drainage - The asset sustainability ratio as well as the future renewals funding ratio are both low. This indicates that renewals expenditure, both for the coming financial year and the ten-year outlook period is below the anticipated required expenditure. The average annual proposed renewal expenditure is \$117,500, whilst annual depreciation is \$553,491.

Sewerage – The ten-year proposed expenditure is 243.6% of the required expenditure and the average annual renewals proposed totalling \$923,000 is closer to the annual depreciation of \$1,261,608.

Transport – The ten-year proposed expenditure is 226.9% of the required expenditure. The average annual renewals proposed of \$4,334,260 are closer to the annual depreciation of \$5,022,175.

Water – The ten-year proposed expenditure is 95.2% of annual depreciation.

2.5 Anticipated Funding Levels and Implications

Expenditure identified in the forward capital works program is funded from Council's capital renewal and upgrade budget, as well as new capital works as proposed in Council's 10-year long-term financial plan (LTFP). The LTFP includes Council's own-funds, loans; and other funds obtained/proposed from state and federal capital funding programs.

Achieving the proposed financial strategy requires Council to consider a renewal and upgrade budget based upon requirements identified annually using predictive modelling and/or condition-based on-ground information that includes any asset risks that could affect Council if appropriate remedial works are not undertaken.

3. BACKGROUND INFORMATION

3.1 The Burdekin Region

The Burdekin Shire Council is located approximately 80 km south of Townsville and covers an area of 5,053 square kilometres.

The Shire is centered on the rich farming land of the Burdekin Delta and with an estimated resident population as at 30th June 2017 of 18,007 persons. Burdekin Shire is categorised as a Rural Agricultural Very Large (RAV) Local Authority under the Australian Classification of Local Government.

The principal urban areas are the twin towns of Ayr and Home Hill, with smaller centres of Brandon, Giru, Alva, Jerona, Wunjunga, Clare, Millaroo and Dalbeg.

The Burdekin region is the largest sugar cane producing area in Australia, and is supplied by the nation's largest water development project – The Burdekin Falls Dam, which is capable of supplying on average more than 1 million mega litres of water each year to the Lower Burdekin area.

A combination of favourable climatic factors, fertile well drained soils and a plentiful supply of irrigation water have also resulted in the establishment of the Burdekin's multi-million dollar small crops industry, with crops grown including capsicums, beans, melons, pumpkins, tomatoes, eggplants and mangoes.

Adding to the strength of the local economy is the districts' grazing industry and growing aquaculture industry.

The economy has a total output of \$2.3 billion and continues to diversify. Rice, mung beans and sandalwood production continue to expand. Other diverse activities approved for construction include an astaxanthin plant and large-scale solar farms. The Shire is supported by a variety of educational, health and sporting resources including three high schools, numerous primary schools, pre-schools and day care centres, as well as a TAFE College and two Hospitals.

3.2 What Council Provides

Burdekin Shire Council provides support services to its communities, small businesses, and visitors in various ways. One way is the provision of infrastructure and property assets to support the community in their business and personal lives. Such assets include approximately:

- 1,147km of roads, of which 733km are sealed (64%)
- 7 vehicle bridges
- 1 pedestrian bridge
- 8 major culverts
- 2714 culverts and pipes (29.24km)
- 40.1km of paths and cycleways
- 189km of kerb and channel
- 29 roundabouts.
- 34km of underground culverts, pipes and lined channel for stormwater drainage
- 300km of water mains; and treatment works, storage tanks and pumpstations
- 160km of sewer mains; and treatment works and pumpstations
- 149 Buildings – ranging from Council offices, community venues, halls and public toilets

The purpose of each asset management plan is to define how Burdekin Shire Council will provide and maintain the portfolio of assets to service community, corporate and commercial needs, and equally important how it will do so in an economically sustainable way.

3.3 Council's Approach to Asset Management Planning

It is a requirement of the Queensland Government's advanced asset management program that Council develop and adopt an asset management plan that provides guidance for future management of the Shire's assets. Council has elected to adopt a service-centric approach to asset management, which is in keeping with the national asset management framework.

This is Council's second round of asset management plans following the initial versions created in 2012 and 2014. Council has implemented a number of asset management improvements including policy, software, data and process improvements that allow this round of asset management plans to be more sophisticated than previous versions and provide a forecast that has greater confidence in its accuracy.

A core outcome of the asset management plans is to provide a linkage between the service standards Council wish to provide and the resulting expenditure forecasts necessary to achieve and sustain those standards. The implications of various funding scenarios can be explored and clearly explained to Council as it considers its budget for each financial year.

3.4 Measuring Performance

3.4.1 Approach

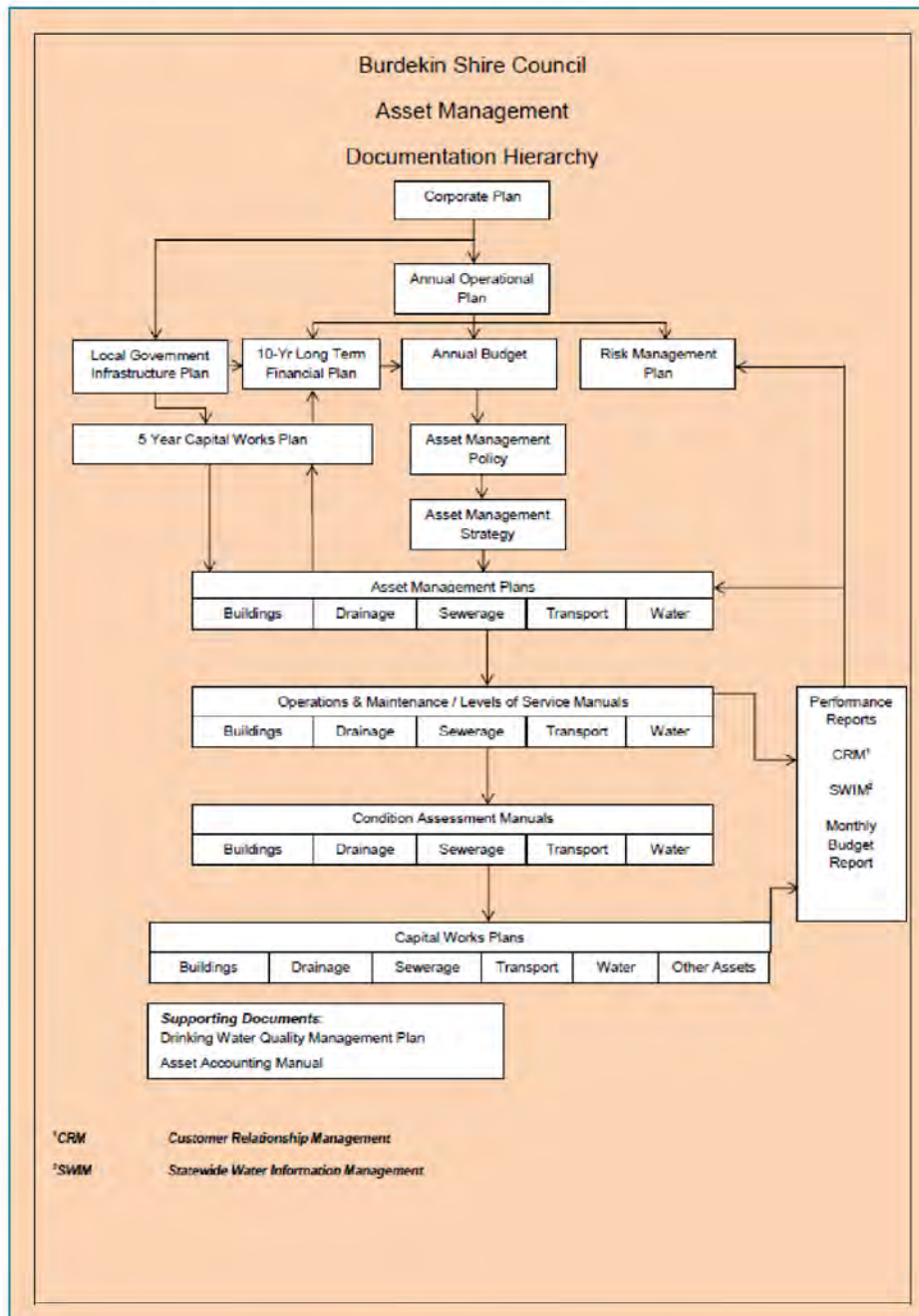
Financial performance - As described in Section 6.1 Financial Performance of this document, each asset management plan reports on a number of financial performance measures. This provides an indication of the sustainability of the level of funding provided to meet capital and operational requirements. The purpose of these measures is to provide Council with an understanding of whether proposed funding levels, both now and over the forecast period, are adequate. Strategically, Council should ensure a long-term sustainable approach is used to renew assets as required.

Service standards - To determine the expenditure forecasts required, each asset management plan considers what service standards Council should aim for. This strategy provides measurable targets that can be used to guide when assets should be repaired or replaced and report over time any changes in the levels of service. Refer to Section 5 Levels of Service for more details.

3.5 Documentation Hierarchy

The following diagram describes the hierarchy of documents held by Burdekin Shire Council that relate to asset management. The intent of this diagram is to show the relationship between documents and is not intended to be an exhaustive list of Council documentation.

Figure 3.1 Asset Management Document Hierarchy



3.6 Asset Management Roles and Responsibilities

Council's asset management responsibility is defined as a stewardship role, caring for and protecting the Shire's assets for current and future generations. This information is contained within Council's Asset Management Policy, adopted on 18th January 2011, and revised on 10th February 2015, Agenda item 9.3.

This is further supported by Council's Asset Management Strategy as adopted by Council on 8th July 2014 where roles and responsibilities for each team member title are provided.

3.7 Council Vision, Mission and Values

- Council's vision, mission and values are employed to provide services to the Burdekin community and its visitors are detailed in Council's Corporate Plan. Within that plan are listed key strategic areas based on community priorities. Of particular relevance to asset management is the Infrastructure key strategic area where action items are listed to promote improved assets and asset management.
- Council also provide an annual Operational Plan listing activities and performance measures to achieve the Corporate Plan. Within that plan are listed linkages back to each action item raised in the Corporate Plan, targets, past performance and responsibilities.
- Both the Corporate Plan and Operational Plan are drivers for the asset management policy, strategy and plans.

3.8 Asset Management Objectives

Asset Management Objectives are detailed in the Asset Management Strategy and cover the following:

- Improved stewardship and accountability for assets
- Improved asset management capability
- Improved community consultation and customer relations
- Improved risk management
- The development of Asset Management Plans
- The integration of the outputs of the asset management plans with the long-term financial plan to achieve effective asset management.
- Continuous improvement

Corporately coordinated asset management improvements aim to improve the framework for asset management whilst each asset management plan is developed with these objectives in mind.

3.9 Overview of Asset Planning Process

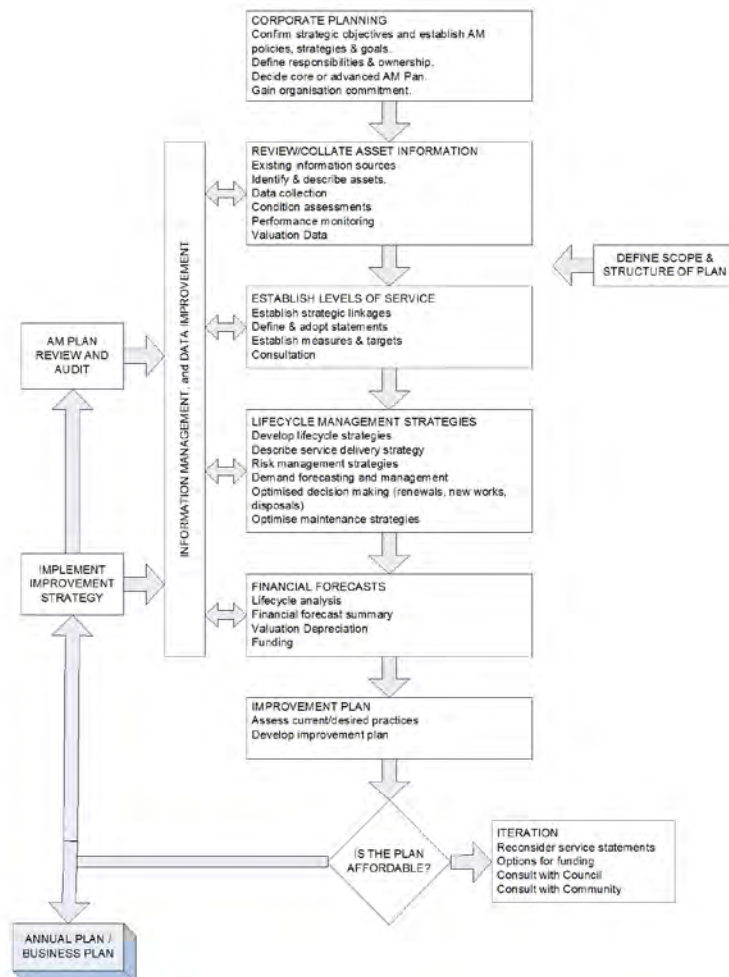
A flow chart for preparing an asset management plan is shown in the following figure. This is drawn from the International Infrastructure Management Manual prepared by the Institute of Public Works Engineering Australasia, which is widely regarded as the main local government asset management resource manual.

Each update to the asset management plans will follow a similar process, however, as asset management improvements are implemented over time such as data, software and process the quality of the asset management plan outputs will improve. So too will the confidence in the forecast expenditures.

The key aim of asset management plans is to link the asset related service levels with the financial forecasts. The stronger this linkage the more elected members will understand the cost implications from varying service standards plus the implications from deferring renewal's capital to allow for new capital.

Figure 3.2 Asset Management Road map

Source: IIMM Fig 1.5.1, p 1.11



4. FUTURE DEMAND

4.1 Demand Forecast

The future demand for infrastructure and building assets is derived from Council's Local Government Infrastructure Plan (LGIP), formerly the Priority Infrastructure Plan (PIP) as required under the Sustainable Planning Act 2009. Council is currently transitioning from the PIP to the LGIP and this is to be finalised by June 2018.

Tables 4.1 and 4.2 below provide the Burdekin's population forecast based on figures developed for the draft 2018 LGIP.

As can be seen from this data, there is anticipated to be only minor regional growth overall. The only area identified with considerable growth is the township of Ayr with approximately 7.5% growth over the ten-year period from 2016 to 2026. All other areas are forecast to have only minimal increases - or in some cases, a decline.

Each asset management plan will discuss any required growth-related new infrastructure. Overall, this is expected to be minor works only. Discussions with each Asset Manager have indicated that any growth over the next 10 years within the priority Infrastructure boundary of each township can be accommodated within the capacity of the existing infrastructure.

Table 4.1 – Population Projections

	2016	2021	2026	2031	2036	Ultimate
Resident Population Projections	18,007	18,289	18,651	18,968	19,223	29,087
Non-resident Population Projections	701	716	732	748	763	1,310
Total Population Projections	18,708	19,005	19,383	19,716	19,986	30,398

Source: Draft BSC Local Government Infrastructure Plan 2018 (LGIP)

Table 4.2 –Population and Housing Projections

LGIP development type	2016	2021	2026	2031	2036	2041	2046	2051	2056	2061	Ultimate development (capacity)
Single dwelling	7,601	7,853	8,173	8,455	8,512	8,581	8,649	8,709	8,758	8,806	10,026
Multiple dwelling	473	489	508	526	530	534	538	542	545	548	624
Other dwelling	343	355	369	382	384	388	391	393	396	398	453
Total	8,417	8,697	9,050	9,363	9,426	9,503	9,578	9,644	9,699	9,752	11,103
Single dwelling	771	778	786	794	798	802	807	811	814	817	964
Multiple dwelling	48	48	49	49	50	50	50	50	51	51	60
Other dwelling	35	35	36	36	36	36	36	37	37	37	44
Total	854	861	871	879	884	888	893	898	902	905	1,068
Single dwelling	2,734	2,731	2,727	2,723	2,730	2,739	2,747	2,755	2,761	2,767	3,036
Multiple dwelling	170	170	170	169	170	170	171	171	172	172	189
Other dwelling	123	123	123	123	123	124	124	124	125	125	137
Total	3,027	3,024	3,020	3,015	3,023	3,033	3,042	3,050	3,058	3,064	3,362
Single dwelling	11,106	11,361	11,686	11,975	12,041	12,122	12,203	12,275	12,333	12,390	14,026
Multiple dwelling	691	707	727	745	749	754	759	764	767	771	873
Other dwelling	509	513	528	541	544	547	551	554	557	560	633
Total	12,299	12,581	12,941	13,259	13,334	13,423	13,513	13,593	13,657	13,721	15,532
Single dwelling	5,788	5,801	5,817	5,832	5,007	6,227	6,452	6,691	6,949	7,213	13,424
Multiple dwelling	360	361	362	363	374	387	401	416	432	449	835
Other dwelling	261	262	263	263	271	281	291	302	314	326	606
Total	6,409	6,424	6,442	6,458	6,652	6,895	7,144	7,409	7,695	7,988	14,865
Single dwelling	16,894	17,162	17,504	17,804	18,048	18,349	18,655	18,966	19,282	19,603	27,450
Multiple dwelling	1,051	1,068	1,089	1,108	1,123	1,142	1,161	1,180	1,200	1,220	1,708
Other dwelling	763	775	790	804	815	829	842	857	871	885	1,240
Total	18,708	19,005	19,383	19,716	19,986	20,320	20,658	21,003	21,353	21,708	30,398

Source: Draft BSC Local Government Infrastructure Plan 2018 (LGIP)

5. LEVELS OF SERVICE

5.1 Overview

Council has defined service levels in two ways, community levels of service and technical level of service. Each asset management plan defines the performance measure and target for those measures relevant to the particular asset class.

- Community Levels of Service relate to how the community (or users) receive the service in terms of safety, quality, quantity, reliability, accessibility and responsiveness to requests. Typically, the community wish to have access to the assets when they require them (accessibility), they want the assets to operate reliably, in a safe manner and to an appropriate level of capacity. They also wish to have the assets they are utilising to be in an acceptable level of condition and cleanliness. By achieving these targets, the community will generally be happy with the service provided and this should reflect in community feedback such as surveys and call centre feedback.
- Supporting the community service levels are operational or technical levels of services, which are measures of performance developed to ensure that the community levels of service are met. The technical levels of service focus more on issues such as:
 - Legislative compliance – ensuring council is meeting all its legal requirements in the provision and upkeep of each asset class.
 - Risk management – identifying and addressing any unacceptable risks.
 - Safety – ensuring both the community and staff are kept safe from harm from the use or interaction with the built assets.
 - Condition standards – set minimum and portfolio average condition standards to use as trigger points for intervention.
 - Capacity – ensure the assets will meet the current demand plus any future demand over the proposed life of the asset.
 - Utilisation – where assets are poorly utilised consideration should be given to rationalising the assets provided so that cost savings may be made and Council is receiving good value for money invested.
 - Cost effectiveness – where assets are consuming a significant portion of their replacement value over a relatively short period of their intended lifespan (unplanned maintenance) they should be considered for replacement.
 - Cost management – ensuring the proposed program is completed each year and backlog works do not build up plus a high portion of the proposed projects are completed within or below budget.

5.2 Community Research and Expectations

Burdekin Shire Council has carried-out formal research on customer expectations and satisfaction with limited success. Strategies to encourage community involvement are ongoing.

Council's knowledge of customer expectations is based on feedback from elected members and analysis of customer service requests and complaints. Council currently employs a Customer Request Management system whereby all requests are recorded and monitored and this provides an indication of levels of service expected by the community.

5.3 Legislative Requirements

Council is obligated and legally required to meet many legislative requirements including Australian and State legislation and State regulations. Appendix C provides a detailed list of legislation and standards that are relevant to asset management.

Council aims to ensure it maintains as close as possible to 100% compliance with all such requirements. Where non-compliance has been identified, corrective actions shall be undertaken within a reasonable timeframe to make compliant.

5.4 Condition Assessment and Ratings

Council assesses the condition of its assets on a periodic basis.

A variety of assessment methods are applied to each asset type, however all methods are translated into a common scoring system to allow comparison across Council.

Council use an overall rating system of one (1) to five (5), where:

Figure 5.1 – Condition Ratings

Condition Rating	Represented by
1	Very Good or Excellent Condition
2	Good Condition
3	Serviceable Condition
4	Poor Condition
5	Very Poor or Unserviceable Condition

Each Asset management plan uses one of its service level targets as an overall average physical condition of '3' or above. Council employs a predictive modelling software tool to forecast the impact on overall condition resulting from various funding scenarios.

Council undertake a rolling program of condition assessment updates as follows:

- Building assets – condition updated four yearly along with the building revaluation and annual desktop reviews conducted by valuers to determine movements in cost indices.
- Drainage assets – approximately 20% of the network is inspected annually with CCTV footage by external contractors and pit and manhole inspections are performed by Council staff.
- Sewerage assets – Above ground sewerage assets including treatment works and pumpstations are condition-assessed and valued every four years by external valuers. Between on-site valuations, external valuers conduct annual desktop reviews to determine movements in cost indices to establish new unit rates. Approximately 20% of the manholes are inspected and condition-assessed annually by Council staff with a risk-based approach used to program CCTV inspections of gravity sewers.
- Transport assets – Council's road network is currently inspected every three years using external contractors, where roughness and rutting are measured and video footage is captured to assess condition. Kerb and channel is also assessed at this time. Bridges and major culverts are assessed externally. Approximately 20% of road drainage assets are inspected each year by Council staff. Roundabouts are inspected every three years. Inspections of other transport assets are currently completed at varying intervals between three to five years. An inspection program is also in place for pathways and, bikeways, where approximately 20% of these assets are inspected annually. Annual defect inspections

are also carried-out by the Operations Works' team, to identify ongoing minor maintenance works.

- Water assets – Above ground water assets are condition-assessed and valued in the same manner as sewerage assets. Below ground, asset condition is determined using maintenance history with visual inspections and measurements completed where mains are exposed for maintenance or extensions. Further methods are planned with the implementation of a leak detection program for all pressure mains.

5.5 Maintenance Levels of Service and Intervention

Each asset management plan is supported by a Maintenance Levels of Service and Intervention Manual.

These manuals classify assets into priority groupings based on their relative importance or criticality. The manual describes the various response times to inspect and make safe and then to effect the final repair for each asset type and priority.

Overall response times should improve as the Enterprise asset management system develops.

In addition, these response times direct (to some degree) the required operational budget necessary to achieve the required performance.

6. FINANCIAL SUMMARIES

6.1 Financial Performance

Within each asset management plan the following financial performance measures are reported that provide key performance indicators to the suitability and sustainability of the current year and 10-year forecast expenditure.

6.1.1 Asset Sustainability Ratio

The asset sustainability ratio (capital expenditure on replacement/renewal of assets divided by the depreciation expense, expressed as a percentage) is used to approximate the extent to which Council assets are being replaced as they reach the end of their useful life.

A percentage equal to or greater than 90% is generally considered to be appropriate. The intent is to identify if capital expenditure on renewing and replacing assets is close to depreciation on average over time, if so then Council is ensuring the value of its existing stock of assets is maintained.

This performance measure looks at the short to medium term outlook from one to ten years. With the majority of infrastructure assets having long lives, Council considers this ratio over the longer terms of 20 years or more to identify peaks that occur when large volume or value assets are due for renewal.

6.1.2 Future Renewal Funding Ratio

The future renewal-funding ratio is the net present value (NPV) of planned capital expenditure over the planning period (10 years) divided by the NPV of the required capital expenditure over the same period.

This indicator is a measure of the ability of Council to fund its projected asset renewals/replacements into the future.

6.1.3 Asset Consumption Ratio

The asset consumption ratio is the depreciated replacement cost (DRC) of the assets (written down value) divided by the current replacement cost (CRC) of the assets, expressed as a percentage.

This indicator seeks to highlight the aged condition of Council's assets and whether this percentage has declined, increased or been maintained over time.

There is no specific target for this measure as this figure will likely vary over time due to the variation in age profile and hence renewals timing of the portfolio overall. The key performance indicator to note is the change experienced since the last measurement.

One of Council's current planning criteria is to maintain the average condition of each portfolio at or above a condition 3 on a scale of 1 to 5 hence a reasonable assumption would be that the asset consumption ratio should target 50% or above.

6.2 Impact of Inflation

Financial forecasts and depreciation values are all based on current year values and have not been indexed to take account of inflation.

As the financial forecasts are updated periodically, values will need to be recalculated or indexed to allow for any inflation.

7. ASSET MANAGEMENT SUPPORT SYSTEMS

7.1 Accounting/Financial Systems

Council uses TechnologyOne Financial software as its financial system. The financial and operational asset registers are held within TechnologyOne as one register.

Council's asset management responsibility is defined as a stewardship role, caring for and protecting the Shire's assets for current and future generations. This and other information is contained within Council's Asset Management Policy.

The recognition thresholds for capital assets are defined in Council's Non-Current Asset Accounting Policy:

- \$1.00 for Land
- \$5,000 for all other asset classes

Fair value disclosures for compliance with AASB 13 – Fair Value Measurement and depreciation in accordance with AASB 116 Property, Plant and Equipment will be undertaken and imported into TechnologyOne as required.

7.2 Asset Management Systems

Council is committed to using TechnologyOne Works and Assets Management and Assetic's Predictor asset modelling modules.

7.3 Records Management Systems

Council uses TechnologyOne's Enterprise Content Management (ECM CI Anywhere).

7.4 Information Flow Requirements and Processes

The key information flows into this asset management plan are:

- The asset register data containing size, age, value, and remaining life of the assets;
- Condition assessments collected during the course of the plan's development
- The adopted service levels;
- Projections of various factors affecting future demand for services;
- Correlations between maintenance and renewal, including consumption based modelling;
- And,
- Data on new assets to be acquired by council.

The key information flows from this asset management plan are:

- The proposed works detail year 1 – 10 program and trends;
- Long term budget considerations;
- Whole of life cost analysis.

These will affect Council's long-term financial plan, strategic business plan, annual budget and departmental business plans and budgets.

8. CORPORATE LEVEL ASSET MANAGEMENT RISKS AND IMPROVEMENTS

8.1 Risks Management Plan

The following table lists the corporate level risks associated with asset management and their current and proposed risk management controls. These risks are those that apply across all asset classes and thus are to be addressed in an organisation-wide approach. Risks specific to each asset class are included within each Asset Management Plan. These risks are described in alignment with Council's Enterprise Risk Management Policy and associated Risk Matrix as documented in Council's Asset Management Strategy.

Table 8.1 – Corporate Risk Management Plan

ITEM NO.	RISK	CAUSES	CURRENT CONTROLS	ADDITIONAL CONTROLS (TO BE RECORDED IN 'CURRENT CONTROLS' ONCE IMPLEMENTED)	RESIDUAL RISK RATING		
					LIKELIHOOD	CONSEQUENCE	RISK RATING
1	Asset Risks not fully quantified and understood.	Lack of formal assessment of risk exposure.	Key risks only identified in AM Plan and not workshoped with all key staff.	Formal asset or system based risk assessment to be undertaken to quantify which assets present the greatest risk exposures and action plan to manage.	ALMOST CERTAIN - 9	MAJOR - 16	HIGH- 25
2	Maintenance Service Standards not being delivered.	System too complex to implement and capture meaningful performance data.	Maintenance Service Standards Manuals for each asset class. Maintenance teams to implement.	Simplify system to allow effective implementation and capture tasks and costs to allow effective performance reporting.	ALMOST CERTAIN - 9	MINOR - 6	MEDIUM- 15
3	Renewals predictive modelling tool unable to satisfy Council needs.	Software programming or data quality may generate results that do not align with Council objectives.	Predictor software used to generate draft list of assets for renewal.	Improve training in the use of Predictor to enable its full capabilities to be explored and suggest alternative products if they are more appropriate to Council's needs.	LIKELY - 7	MODERATE - 11	MEDIUM- 18
4	Asset condition and performance data lacks Council's confidence in its accuracy.	Relying on external sources to capture data, inadequate specification on detail required, and inadequate validation of captured data.	Financial revaluation at asset level. Technical condition audits by external parties for certain asset classes.	Improve specification for data capture for technical condition and performance definitions plus level of asset componentisation per asset class.	POSSIBLE - 5	MODERATE - 11	MEDIUM- 16
5	Loss of experience amongst staff with respect to asset management processes and systems.	Staff turnover with limited succession planning.	Sharing of knowledge amongst current staff.	Consideration of necessary future knowledge and skills incorporated into recruitment processes and role descriptions.	LIKELY - 7	MODERATE - 11	MEDIUM- 18

Effective Date: 19/04/2018

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Page 28 of 44

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8.2 Improvement Plan - Assets

Within each asset management plan there are specific improvements identified for the individual plan. In addition to those improvements, there are the following organisation wide asset management improvements proposed that influence each asset management plan.

Also of note is the list of asset management improvements provided within the Asset Management Strategy that address broader asset management improvements.

Table 8.2 – Improvement Plan

Task No	Task	Responsibility	Timeline
1.	Include and maintain asset-related risk information in Council's Corporate Risk Register.	Asset Management Coordinator	May/June annually
2.	Ensuring the proposed capital works plans are at least 90% completed each financial year. Have shovel ready projects available to fill gaps should projects need to be deferred.	Manager Technical Services	Annually
3.	Improve asset management practices by implementing additional integrated software modules to streamline condition data capture for integration with Council's asset management system	Asset Management Group	July 2020
4.	Continually improve the quality of the inputs and outputs of Council's predictive models for each asset class. Review the suitability of Predictor to generate acceptable renewals forecasts and scenarios in a timely manner.	Asset Management Coordinator	July 2019
5.	Review the Maintenance Levels of Service Manual's for all asset classes with a view to simplify the system.	Asset Management Coordinator	December 2019
6.	Undertake follow-up technical condition assessments on assets rather than rely on valuers' condition ratings in order to have improved confidence in data and its use in renewals planning.	Facility Management Coordinator Works Overseer Asset Management Coordinator Asset Inspector Manager Technical Services	July 2019
7.	Continuous improvement of systems and procedures to increase accuracy of reported scheduled and unscheduled maintenance costs	Asset Management Coordinator	July 2019
8.	Implement improvements to the Asset Management Strategy document as detailed in the following table.	Asset Management Coordinator	March 2019
9.	Implement appropriate Pathway, Bikeway and other Transport condition inspection plan.	Asset Management Coordinator Works Overseer Asset Inspector	July 2019

9. APPENDICES

9.1 Appendix A Abbreviations

ACR	Asset Consumption Ratio
AAS	Australian Accounting Standard
AASB	Australian Accounting Standards Board
AMG	Asset Management Group
AMP	Asset Management Plan
AMS	Asset Management Strategy
ASR	Asset Sustainability Ratio
BSC	Burdekin Shire Council
CCTV	Closed Circuit Television Camera
CRC	Current Replacement Cost
CRS	Customer Request System
DDA	Disability Discrimination Act
DRC	Depreciated Replacement Cost
ECM	Enterprise Content Management (Technology One Application)
IIMM	International Infrastructure Management Manual (by IPWEA)
IRMP	Infrastructure Risk Management Plan
IPWEA	Institute of Public Works Engineering Australasia
LCC	Life Cycle Cost
LCE	Life Cycle Expenditure
LGIP	Local Government Infrastructure Plan (was PIP)
LoS	Level of Service
LTFP	Long Term Financial Plan
MMS	Maintenance Management System
NPV	Nett Present Value
OCI	Overall Condition Index
O&M	Operations and Maintenance
PCI	Pavement Condition Index
PIP	Priority Infrastructure Plan
QAO	Queensland Audit Office
RUL	Remaining Useful Life
RV	Residual Value
SWIM	Statewide Water Information Management

9.2 Appendix B Glossary

Asset class

Grouping of assets of a similar nature and used in an entity's operations (AASB 166.37).

Asset condition assessment

The process of continuous or periodic inspection, assessment, measurement and interpretation of the resultant data to indicate the condition of a specific asset to determine the need for any preventative or remedial action.

Asset management

The combination of management, financial, economic, and engineering and other practices applied to physical assets with the objective of providing the required level of service in the most cost effective manner.

Assets

Future economic benefits controlled by the entity as a result of past transactions or other past events (AAS27.12).

Property, plant and equipment including infrastructure and other assets (such as furniture and fittings) with benefits expected to last more than 12 month.

Buildings

Permanent or temporary structure fully or partially enclosed within three or more exterior walls and a roof, and including all attached apparatus, equipment and fixtures that cannot be removed without cutting into ceiling floors or walls. From Council's perspective, a building exists to provide a service to the community and other stakeholders and should that service no longer be required the building should be disposed of or altered to provide a new service.

Capital expenditure

Relatively large (material) expenditure, which has benefits expected to last for more than 12 months. Capital expenditure includes new, renewal, expansion and/or upgrades. Please note that where capital projects involve a combination of new, renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital funding

Funding from own sources, loans and grants to pay for all categories of capital expenditure.

Capital grants

Monies received generally tied to specific projects for which they are granted, which are often upgrade and/or expansion or new investment proposals.

Capital new expenditure

Expenditure, which creates a new asset providing a new service to the community that did not exist beforehand. As it increases service potential it may affect revenue and will increase future operating and maintenance expenditure.

Capital renewal expenditure

Expenditure on an existing asset, which returns service potential or the life of the asset up to that of which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time, e.g. resurfacing or resheeting a material part of a road network, replacing a material section of a drainage network with pipes of the same capacity, or resurfacing an oval. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Capital upgrade expenditure

Expenditure, which enhances an existing asset to provide a higher level of service, or expenditure that increases the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in council's asset base, e.g. widening the sealed area of an existing road, replacing drainage pipes with pipes of a greater capacity, enlarging a grandstand at a sporting facility. Where capital projects involve a combination of renewal, expansion and/or upgrade expenditures, the total project cost needs to be allocated accordingly.

Component

An individual part of an asset, which contributes to the composition of the whole and can be separated from or attached to an asset or a system.

Cost of an asset

The amount of cash or cash equivalents paid or the fair value of the consideration given to acquire an asset at the time of its acquisition or construction, plus any costs necessary to place the asset into service. This includes one-off design and project management costs.

Current replacement cost (CRC)

The cost the entity would incur to acquire an asset on the reported date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost to replace the existing asset with a technologically modern equivalent new asset (not a second hand one). It must also deliver the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Cyclic Maintenance

Replacement of higher value components/sub-components of assets that is undertaken on a regular cycle including repainting, building roof replacement, cyclic maintenance of air conditioning equipment, etc. This work generally falls below the capital/maintenance threshold and identified in a specific maintenance budget allocation.

Depreciable amount

The cost of an asset, or other amount substituted for its cost, less its residual value (AASB 116.6)

Depreciated replacement cost (DRC)

The current replacement cost (CRC) of an asset less, where applicable, accumulated depreciation calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset

Economic life

See useful life definition.

Expenditure

The spending of money on goods and services. Expenditure includes recurrent and capital.

Fair value

The amount for which an asset could be exchanged or a liability settled between knowledgeable, willing parties, in an arm's length transaction.

Heritage asset

An asset with historic, artistic, scientific, technological, geographical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture and this purpose is central to the objectives of the entity holding it.

Investment property

Property held to earn rentals or for capital appreciation or both, rather than for:

- (a) use in the production or supply of goods or services or for administrative purposes; or
- (b) sale in the ordinary course of business (AASB 140.5)

Level of service

The defined service quality for a particular service against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental, acceptability and cost.

Loans / borrowings

Loans result in funds being received, which are then repaid over a period of time with interest (an additional cost). Their primary benefit is in 'spreading the burden' of capital expenditure over time. Although loans enable works to be completed sooner, they are only ultimately cost-effective where the capital works funded (generally renewals) result in operating and maintenance cost savings, which are greater than the cost of the loan (interest and charges).

Maintenance and renewal gap

Difference between estimated budgets and projected expenditures for maintenance and renewal of assets, totalled over a defined time (e.g. 10 years).

Maintenance and renewal sustainability index

Ratio of estimated budget to projected expenditure for maintenance and renewal of assets over a defined time (e.g. 10 years).

Maintenance expenditure

Recurrent expenditure, which is periodically or regularly required as part of the anticipated schedule of works required to ensure that the asset achieves its useful life and provides the required level of service. It is expenditure that was anticipated in determining the asset's useful life.

Materiality

An item is material if its omission or misstatement could influence the economic decisions of users taken on the basis of the financial report. Materiality depends on the size and nature of the omission or misstatement judged in the surrounding circumstances.

Modern equivalent asset

A structure similar to an existing structure and having the equivalent productive capacity, which could be built using modern materials, techniques and design. Replacement cost is the basis used to estimate the cost of constructing a modern equivalent asset.

Non-revenue generating investments

Investments for the provision of goods and services to sustain or improve services to the community that are not expected to generate any savings or revenue to Council, e.g. parks and playgrounds, footpaths, roads and bridges, libraries, etc.

Overall Condition Index (OCI)

OCI is generated through the Predictor software application or asset register for each class and equals the average score for condition, functionality and capacity. OCI is typically calculated for the whole portfolio or asset class as reported in each Asset Management Plan. The OCI reported in these asset management plans is the average condition score weighted by current asset value (as functionality and capacity have not been recently assessed).

Operating expenditure

Recurrent expenditure, which is continuously required excluding maintenance and depreciation, e.g. power, fuel, staff, plant equipment, on-costs and overheads.

Rate of annual asset consumption

A measure of average annual consumption of assets (AAAC) expressed as a percentage of the depreciable amount (AAAC/DA). Depreciation may be used for AAAC.

Rate of annual asset renewal

A measure of the rate at which assets are being renewed per annum expressed as a percentage of depreciable amount (capital renewal expenditure / depreciable amount).

Rate of annual asset upgrade

A measure of the rate at which assets are being upgraded and expanded per annum expressed as a percentage of depreciable amount (capital upgrade/expansion expenditure / depreciable amount).

Recoverable amount

The higher of an asset's fair value, less costs to sell and its value in use.

Recurrent expenditure

Relatively small (immaterial) expenditure or that which has benefits expected to last less than 12 months. Recurrent expenditure includes operating and maintenance expenditure.

Recurrent funding

Funding to pay for recurrent expenditure.

Rehabilitation

See capital renewal expenditure definition.

Remaining Useful Life (RUL)

The time remaining until an asset ceases to provide the required service level or economic usefulness. Age plus remaining life is economic life.

Renewal

See capital renewal expenditure definition.

Residual Value

The net amount that an entity expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.

Risk management

The application of a formal process to the range of possible values relating to key factors associated with a risk in order to determine the resultant ranges of outcomes and their probability of occurrence.

Scheduled Maintenance

Repair work that is identified and managed through a maintenance management system (MMS). MMS activities include inspection, assessing the condition against failure/breakdown criteria/experience, prioritising scheduling, and completing the work and reporting what was done to develop maintenance history and improve maintenance and service delivery performance.

Service Hierarchy

Individual assets provide differing levels of services to its users. The quality or importance of services provided is ranked within a service hierarchy. Within this asset management plan and associated documents, the service hierarchy uses a star rating, where five (5) stars represent the importance for providing a high quality service, and one (1) star the need for only providing basic service.

Service potential

The capacity to provide goods and services in accordance with the entity's objectives, whether those objectives are the generation of net cash inflows or the provision of goods and services of a particular volume and quantity to the beneficiaries thereof.

Service potential remaining

A measure of the remaining life of assets expressed as a percentage of economic life. It is also a measure of the percentage of the asset's potential to provide services that are still available for use in providing services (depreciated replacement cost / depreciated amount).

Sub-component

Smaller individual parts that make up a component part.

Unscheduled maintenance

Unplanned repair work that is carried out in response to service requests and/or management / supervisory directions.

Useful life

Either:

- (a) the period over which an asset is expected to be available for use by an entity, or
- (b) the number of production or similar units expected to be obtained from the asset by the entity.

It is estimated or expected time between placing the asset into service and removing it from service, or the estimated period of time over which the future economic benefits embodied in a depreciable asset, are expected to be consumed by the council. It is the same as the economic life.

Final Draft

9.3 Appendix C Legislative Compliance Requirements

9.3.1 Common Asset Management Related Legislation

Legislation	Requirement
Local Government Act 2009.	The purpose of this Act is to provide for: (a) the way in which a local government is constituted and the nature and extent of its responsibilities and powers; and (b) a system of local government in Queensland that is accountable, effective, efficient and sustainable.
Local Government (Finance, Plans and Reporting) Regulation 2010.	This regulation is about community planning and financial management for local governments, including: (a) engaging the community; and (b) planning community growth and development; and (c) local government rates and charges; and (d) the financial accounts, documents, policies, records and reports of a local government; and (e) local government contracts; and (f) allocating funds received by the State from the Commonwealth for local government purposes.
Local Government Regulation 2012.	This regulation is about community planning and financial management for local governments, including— (a) engaging the community; and (b) planning community growth and development; and (c) local government rates and charges; and (d) the financial accounts, documents, policies, records and reports of a local government; and (e) local government contracts; and (f) allocating funds received by the State from the Commonwealth for local government purposes.
Sustainable Planning Act 2009 and Sustainable Planning Regulation 2009.	The Sustainable Planning Act 2009 (SPA) and Sustainable Planning Regulation 2009 came into effect on 18 December 2009 and replaced the Integrated Planning Act 1997 (IPA). SPA is the legislation applied to Queensland's planning and development system. SPA: a) manages the process by which development takes place, including ensuring the process is accountable, effective and efficient and delivers sustainable outcomes b) manages the effects of development on the environment (including managing the use of premises) c) coordinates and integrates planning at local, regional and state levels.
Aboriginal Cultural Heritage Act 2003.	The Act provides for the protection of significant Aboriginal cultural heritage, including the establishment of a register of Aboriginal cultural heritage and processes for addressing land use impacts. The legislation also establishes a duty of care to prevent harming cultural heritage and creates penalties in relation to the safeguarding of cultural heritage. There are known sites of significant Aboriginal cultural heritage in the Burdekin Region.

9.3.2 Buildings Related Legislation

Legislation	Requirement
Building Act 1975.	Provides for the laws and other documents for the assessment of building development applications and the carrying out of self-assessable building work; and provides for who is responsible for carrying out building assessment work for building development applications; and regulates the assessment and approval of building development applications.
Building Regulation 2006.	Government requirements for Building work.
Building Fire Safety, Regulation 2008.	The main objects of this regulation are: (a) to ensure persons can evacuate buildings safely and quickly if a fire or hazardous materials emergency happens; and (b) to ensure prescribed fire safety installations for buildings are maintained.
Domestic Building Contracts Act 2006.	The purpose of this Act, in regulating domestic building contracts, is— (a) to achieve a reasonable balance between the interests of building contractors and building owners; and (b) to maintain appropriate standards of conduct in the building industry.
Community Services Act 2007.	The main object is achieved mainly by— (a) the department giving financial and other assistance to service providers providing community services; and (b) regulating community services provided with the financial or other assistance to ensure the standard and accountability of the services; and (c) providing for compliance with this Act to be monitored and enforced.
Electrical Safety Act 2002.	The purpose of this Act is to establish a legislative framework for— (a) preventing persons from being killed or injured by electricity; and (b) preventing property from being destroyed or damaged by electricity.
Queensland Development Code.	The Queensland Development Code consolidates Queensland-specific building standards into a single document. The code covers Queensland matters outside the scope of, and in addition to, the Building Code of Australia, such as requirements for private health facilities.
The Building Code of Australia.	The Building Code of Australia (BCA) is Volumes One and Two of the National Construction Code (NCC). The BCA is produced and maintained by the Australian Building Codes Board (ABCB) on behalf of the Australian Government and State and Territory Governments.
Disability Discrimination Act 1992.	The Federal <i>Disability Discrimination Act 1992</i> (D.D.A.) provides protection for everyone in Australia against discrimination based on disability.

9.3.3 Drainage Related Legislation

Legislation	Requirement
Qld Urban Drainage Manual [QUDM] Third edition 2013 – provisional.	<p>The QUDM Manual for stormwater management should be used in coordination with other recognised manuals covering topics such as:</p> <ul style="list-style-type: none"> • Water Sensitive Urban Design • Water Sensitive Road Design • Natural Channel Design • Waterway management including fauna passage • Erosion & Sediment Control • Bridge and culvert design manuals • Australian Rainfall and Runoff (ARR) • Australian Runoff Quality (ARQ)
Environmental Protection Act 1994.	<p>The EP Act is the primary pollution control legislation in the State, defining the nature of environmental harm and attributing sizeable penalties for anyone committing pollution offences, environmental harm offences or omitting to take reasonable preventive action. It can also, through its 'standard criteria' provisions, call up criteria for assessing potential environmental harm from the carrying out of environmentally relevant activities. These criteria ensure that an activity will be ecologically sustainable.</p>
Environmental Protection (Water) Policy 2009.	<p>The objective of the Environmental Protection (Water) Policy 2009 is to protect Queensland's water environment according to the principles of ecologically sustainable development. It recognizes five EVs to be protected:</p> <ol style="list-style-type: none"> 1. aquatic ecosystems 2. recreational water quality and aesthetics 3. raw water for drinking water supply 4. agricultural water use 5. industrial water use <p>S42. Council is required to develop and implement an Urban Stormwater Quality Management Plan, as one of a number of other environmental management plans for the purposes of contributing to the achievement of ecologically sustainable development.</p>
Coastal Protection and Management Act 1995 & Coastal Protection and Management Regulation 2003.	<p>Objects of this Act include providing for the protection, conservation, rehabilitation and management of the coast, including its resources and biological diversity. The Act requires the preparation of a state coastal management plan and this plan includes policies on stormwater management.</p> <p>The Act provides for the declaration of coastal management districts, which currently comprise the existing erosion prone areas and coastal management control districts established under the Beach Protection Act 1968. Coastal management districts are also identified in regional coastal management plans prepared pursuant to the Act. They can be declared for a variety of reasons including an area's vulnerability to erosion, whether it should be kept in an undeveloped state and consideration of the foreseeable human impact in the area.</p>
Nature Conservation Act 1992.	<p>The Nature Conservation Act is relevant to catchment management as it enables areas to be declared or dedicated as protected areas.</p>

Legislation	Requirement
	Conservation plans and management plans which are prepared for these areas prevail over local government planning schemes and the Council is prevented from permitting any use of the land inconsistent with the plans.
Nature Conservation Act 1992.	The Nature Conservation Act is relevant to catchment management as it enables areas to be declared or dedicated as protected areas. Conservation plans and management plans which are prepared for these areas prevail over local government planning schemes and the Council is prevented from permitting any use of the land inconsistent with the plans.
Vegetation Management Act 1999.	The Vegetation Management Act requires the preparation of State Vegetation Management policies and Regional Vegetation Management Plans for the management of vegetation on Freehold land. The State Policy for the Management of Vegetation on Freehold Land ("the State Vegetation Policy") of May 2003 requires the retention of vegetation adjacent to waterways in Coastal Areas.
Land, Water and Other Legislation Amendment Act 2014. (Amends Water Act 2000).	The Act sets the legislative requirements for the majority of Queensland's non-tidal waters. The Act promotes the sustainable management and efficient use of water by establishing a system for the planning, allocation and use of water. The rights to the use, flow and control of all water in Queensland are vested in the State. The purpose of the Act includes the protection and improvement of the physical integrity of watercourses.
Fisheries Act 1994 and Fisheries Regulation (2008).	The Fisheries Act 1994 covers marine, estuarine and fresh waters. Fisheries habitat is managed under the Act for the protection of marine plants, for the declaration of Fish Habitat Areas and the restoration of damaged or destroyed habitats of importance to fish stocks.

9.3.4 Sewerage Related Legislation

Legislation	Requirement
Water Supply (Safety and Reliability) Act 2008.	<p>1) The purpose of this Act is to provide for the safety and reliability of water supply.</p> <p>2) The purpose is achieved primarily by—</p> <p>a) providing for—</p> <p>I. a regulatory framework for providing water and sewerage services in the State, including functions and powers of service providers; and</p> <p>II. a regulatory framework for providing recycled water and drinking water quality, primarily for</p> <p>protecting public health; and</p> <p>regulation of referable dams; and</p> <p>flood mitigation responsibilities and protecting interests of customers of service providers.</p>
Public Health Act (2005).	<p>Object of Act.</p> <p>The object of this Act is to protect and promote the health of the Queensland public.</p>

9.3.5 Transport Related Legislation

Legislation	Requirement
Transport Infrastructure Act 1994.	The overall objective of this Act is, consistent with the objectives of the Transport Planning and Coordination Act 1994, to provide a regime that allows for and encourages effective integrated planning and efficient management of a system of transport infrastructure.
Transport Planning and Coordination Act 1994.	The objectives of this Act are within the government's overall policy agenda, to improve— (a) the economic, trade and regional development performance of Queensland; and (b) the quality of life of Queenslanders; by achieving overall transport effectiveness and efficiency through strategic planning and management of transport resources.
Transport Operations (Road Use Management) Act 1995.	The overall objectives of this Act are, consistent with the objectives of the Transport Planning and Coordination Act 1994, to— (a) provide for the effective and efficient management of road use in the State; and (b) provide a scheme for managing the use of the State's roads that will— (i) promote the effective and efficient movement of people, goods and services; and (ii) contribute to the strategic management of road infrastructure in ways consistent with the Transport Infrastructure Act 1994; and (iii) improve road safety and the environmental impact of road use in ways that contribute to overall transport effectiveness and efficiency; and (iv) support a reasonable level of community access and mobility in support of government social justice objectives; and (c) provide for the effective and efficient management of vehicle use in a public place.

9.3.6 Water Related Legislation

Legislation	Requirement
Water Supply (Safety and Reliability) Act 2008.	<p>1) The purpose of this Act is to provide for the safety and reliability of water supply.</p> <p>2) The purpose is achieved primarily by—</p> <p>a) providing for—</p> <p>I. a regulatory framework for providing water and sewerage services in the State, including functions and powers of service providers; and</p> <p>II. a regulatory framework for providing recycled water and drinking water quality, primarily for</p> <p>protecting public health; and</p> <p>regulation of referable dams; and</p> <p>flood mitigation responsibilities and protecting interests of customers of service providers.</p>
Land, Water and Other Legislation Amendment Act 2013.	<p>Compliance with Part 19 –</p> <p>Amendment of Water Act 2000</p> <p>Division 1 Preliminary</p> <p>227 Act amended.</p> <p>This part amends the Water Act 2000.</p>
Australian Drinking Water Guidelines 6, 2011.	<p>The ADWG provide the authoritative Australian reference for use within Australia's administrative and Legislative framework to ensure the accountability of drinking water suppliers (as managers) and of State and territory health authorities (as auditors of the safety of water supplies).</p>

Sewerage Asset Management Plan

April-2018



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Table of Contents

1	EXECUTIVE SUMMARY	5
1.1	Portfolio Description.....	5
1.2	Expenditure Forecast.....	5
1.3	Financial Performance Measures	6
1.4	The Next Steps	6
1.5	Plan Adoption Date.....	7
2	INTRODUCTION	8
2.1	Purpose	8
2.2	Overview	8
2.3	Portfolio Description.....	8
2.3.1	Asset Summary	9
2.3.2	Condition Summary	10
3	FUTURE DEMAND	12
3.3	Demand Forecast	12
3.4	Demand Management Plan	12
4	LEVELS OF SERVICE	13
4.1	Community Research and Expectations	13
4.2	Community and Technical Levels of Service.....	13
4.3	Conclusions Drawn.....	13
5	LIFECYCLE MANAGEMENT STRATEGY	14
5.1	Renewal/Replacement Plan.....	14
5.1.1	Forward Capital Renewals Program	15
5.1.2	Analysis	15
5.2	Creation/Acquisition/Upgrade Plan	16
5.3	Maintenance Planning	16
5.3.1	Scheduled and Unscheduled Maintenance.....	16
5.3.2	Future Maintenance Expenditure	16
5.4	Disposal Plan.....	17
6	FINANCIAL SUMMARY	18
6.1	10 Year Expenditure Projection	18
6.2	Financial Performance Measures	19
6.2.1	Asset Sustainability Ratio.....	19
6.2.2	Future Renewal Funding Ratio.....	19

6.2.3	Asset Consumption Ratio	19
6.2.4	Impact of Inflation	19
6.3	Funding Strategy	19
7	ASSET CLASS RISKS AND IMPROVEMENT PLAN	20
7.1	Risk Management Plan.....	20
7.2	Improvement Plan	21
7.3	Monitoring and Review Procedures	21
8	SUPPORT / REFERENCE DOCUMENTS	22
8.1	Sewerage Maintenance Levels of Service and Intervention Manual	22
8.2	Statewide Water Information Management (SWIM) Statistical Reporting	22
9	APPENDICES.....	23
9.1	Appendix A Asset Register Derived Long Range Renewals Forecast.....	23
9.2	Appendix B Council's 10 Year Forward Capital Renewals	24

1 EXECUTIVE SUMMARY

1.1 Portfolio Description

Burdekin Shire Council provides reticulated sewerage collection and treatment for the following townships - Ayr, Brandon and Home Hill. Other townships and farm properties are on septic systems.

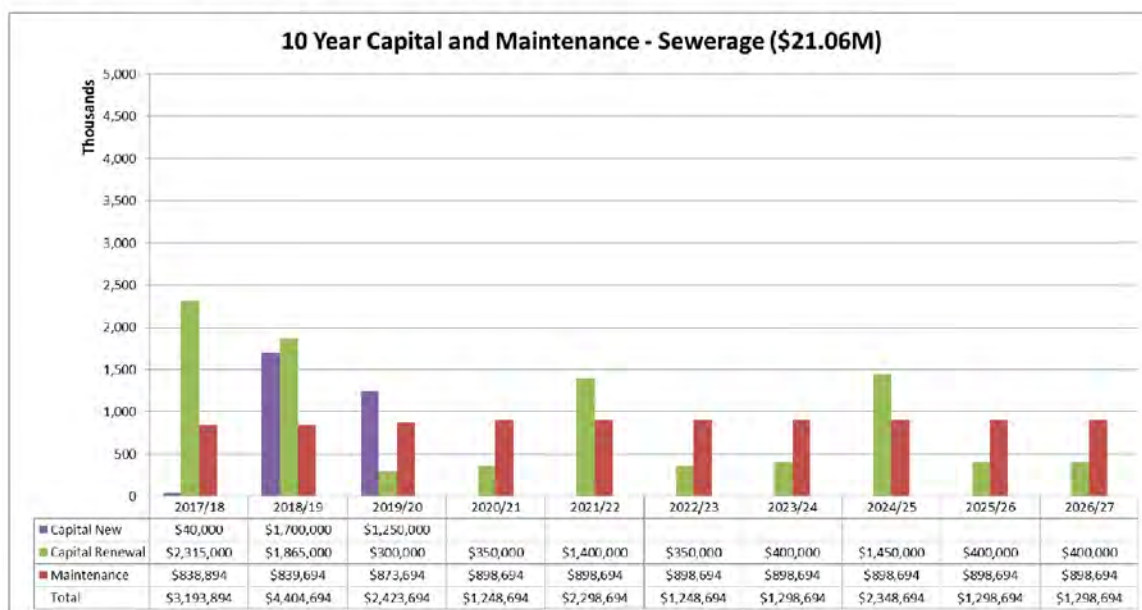
The total replacement value of Council's sewerage portfolio as provided in the financial asset register at 30 June 2017 was \$75.9M.

There is 164km of sewer and rising mains and 52 pumpstations that convey sewage to two (2) treatment plants located in Ayr and Home Hill. There are a significant number of pumpstations when compared to most other Council sewerage systems due to the flat topography of the region requiring the gravity fed sewage to be re-lifted several times before it reaches the treatment works.

1.2 Expenditure Forecast

The following table provides a summary-level view of Council's planned capital renewal, capital new, and capital and maintenance expenditure over the forecast period. Capital new expenditure is typically dependant on receiving grant funding for projects to proceed.

Figure 1.1 Capital and Maintenance Forecast



The Maintenance forecast is based on historical trends and is predicted to change minimally over the forecast period.

Key comparison figures reviewed against the planned capital renewals expenditure are as follows:

Planned capital renewals over the next ten years.	\$9,230,000
The cumulative annual depreciation over the forecast period.	\$12,616,080
What the financial asset register says should be renewed (remaining life based)	\$3,789,186

1.3 Financial Performance Measures

The following financial performance measures are based on the long term financial plan (LTFP) budget.

Table 1.2 Financial Performance Measures

Performance Measure	This Plan	Previous Plan (2012)
Asset Sustainability Ratio	73.2%	88.5%
Future Renewal Funding Ratio	242.1%	100.0%
Asset Consumption Ratio	45.5%	52.0%

Local Government Regulation 2012 Chapter 5 - Financial planning and accountability [s 169] provides key indicators to determine how well a Local Government manages infrastructure assets.

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period). In cases where the majority of assets or groups of assets are relatively new or in good condition, the asset sustainability ratio is likely to be lower than the recommended 90% target. This does not necessarily mean that the assets aren't being managed effectively.

In developing Council's long term financial plan, forecast asset renewals are considered. These renewals are based on asset lives and estimated renewal costs which can vary depending on individual components requiring replacement at different times.

Planned capital expenditure is 73.2% of depreciation over the forecast period. As such, planned renewal projections do not currently keep pace with depreciation. This indicates the overall lifecycle position of the portfolio will need to be monitored to ensure target OCI levels are sustained over the forecast period.

Appendix A provides a chart showing 50-year long-term renewals forecast generated by modelling software. The financial asset register shows that over the next 10 years \$3.78M in renewals is anticipated, and over the next 20 years, \$22.2M is anticipated. The resulting sustainability ratio calculated from this estimate is 88% which is much closer to the recommended targets.

1.4 The Next Steps

The key actions and improvements resulting from this asset management plan are:

- Strategic review of existing treatment plant services. Evaluate impacts of foreseeable growth in the region to determine effective investment and upgrade strategies.
- Review of existing environmental licencing requirements with identification of existing and future strategies to maintain compliance.
- Develop scheduled maintenance cost estimates and analyse unplanned maintenance costs.
- Develop contingency plans for critical infrastructure.

- Implement smoke testing program to address possible high inflow zones.

1.5 Plan Adoption Date

This asset management plan was adopted by Burdekin Shire Council on (TBA).

2 INTRODUCTION

2.1 Purpose

This asset management plan defines Burdekin Shire Council's strategy for the responsible management of its sewerage assets in a manner that is compliant with regulatory requirements and sustainable within available resources. This plan will also be used to communicate any need for additional funding in order to provide the required levels of service.

This plan should be read in conjunction with Council's Executive Level Asset Management Plan, which contains a number of sections describing Council's approach to asset management that is common across all asset management plans.

2.2 Overview

This plan focuses on providing the following key information to assist long term planning for infrastructure and property assets to support and sustain service standards:

- Portfolio description – provides an understanding of the current asset base used to deliver services to the community.
- Future demand – provides an understanding of the current and future changes in demand over the forecast period to allow for the inclusion in financial planning for any growth related capital works.
- Levels of service and performance – provides the strategic level asset performance targets and current performance to drive required capital or maintenance intervention works.
- Financial forecasts and sustainability measures – provides forecast for both unrestricted and restricted budgets and their resulting impacts and implications regarding the long term sustainability of services standards.
- Asset management improvements – provides a listing of key action items and improvements proposed to enable future versions of this plan to improve accuracy or confidence in the forecasts made.

2.3 Portfolio Description

Burdekin Shire Council provides reticulated sewerage collection and treatment for the following townships - Ayr, Brandon and Home Hill. Other townships and farm properties are on septic systems.

There is 164km of sewer and rising mains and 52 pumpstations that convey the sewage to two (2) treatment plants located in Ayr and Home Hill. There are a significant number of pumpstations when compared to most other Council sewerage systems due to the flat topography of the region requiring the gravity fed sewage to be re-lifted a number of times before it reaches the treatment works.

The total replacement value as provided in the financial asset register at 30 June 2017 was \$75.9M.

The following table provides a summary of the sewerage asset portfolio by asset type:

2.3.1 Asset Summary

Table 2.1 Sewerage Asset Portfolio

Sewerage Components	Replacement Cost	Units
Buildings	\$748,104	8
Ayr Sewerage Treatment Plant - Alternator Shed	\$29,073	1
Ayr Sewerage Treatment Plant - Chlorination Building	\$5,895	1
Ayr Sewerage Treatment Plant - Machinery Shed	\$146,334	1
Ayr Sewerage Treatment Plant - Sludge Digester Pump House	\$47,163	1
Ayr Sewerage Treatment Plant - Workshop Amenities & Lab	\$313,907	1
Home Hill Sewerage Treatment Plant - Amenities & Workshop	\$162,990	1
Home Hill Sewerage Treatment Plant - Chlorination Building	\$5,895	1
Home Hill Sewerage Treatment Plant - Plant Building	\$36,846	1
Collection	\$60,277,679	164,540
SE Common Effluent - Main	\$53,734	2,118
SE Mains	\$19,722,056	106,849
SE Mains - Relined	\$3,588,833	14,708
SE Mains - Trunk Main	\$1,230,522	5,738
SE Manhole / Inspection Chamber	\$19,006,040	2,231
SE Manhole / Inspection Chamber - Trunk	\$3,664,540	343
SE Overflow Pipe	\$329,946	1,809
SE Pressure Sewer Main	\$134,360	3,428
SE Pump Station - General	\$65,305	245
SE Pump Station - Mech. Ventilation	\$14,492	1
SE Pump Station - Pipework & Valves	\$593,628	49
SE Pump Station - Pump - OLD	\$150,396	4
SE Pump Station - Pump - STD	\$828,702	99
SE Pump Station - Rising Main	\$3,814,030	26,807
SE Pump Station - Structure	\$4,922,598	52
SE Pump Station - Sump Pump	\$6,811	1
SE Pump Station - Switchboard	\$2,094,875	50
SE Reticulation - Poo Pit	\$56,810	8
Telemetry	\$462,462	48
SE Telemetry - Repeater	\$462,462	48
Treatment	\$14,416,330	1,997
SE Chlorination Facility - Civil	\$515,126	2
SE Chlorination Facility - Electrical	\$13,547	2
SE Chlorination Facility - Mechanical	\$33,952	2
SE Clarifier (Primary) - Civil	\$762,921	2
SE Clarifier (Primary) - Electrical	\$37,123	2
SE Clarifier (Primary) - Mechanical	\$326,064	2
SE Clarifier (Secondary) - Civil	\$852,374	2
SE Clarifier (Secondary) - Electrical	\$37,123	2
SE Clarifier (Secondary) - Mechanical	\$326,064	2
SE Effluent Pond	\$480,168	1
SE Flow Meter	\$35,795	4
SE Fume Hood Cabinet	\$6,834	1
SE General-Site Services	\$1,827,411	2
SE General-Site Services - Access Rd & Hardstand	\$81,873	1,919
SE Inlet Structure - Civil	\$696,089	2
SE Inlet Structure - Electrical	\$53,440	2
SE Inlet Structure - Mechanical	\$106,590	2
SE Septic Tank Receival - Civil	\$101,072	1

Sewerage Components	Replacement Cost	Units
SE Septic Tank Receival - Electrical	\$6,774	1
SE Septic Tank Receival - Mechanical	\$16,355	1
SE Septic Tank Receival - Spare Pump	\$5,993	1
SE Sludge Collection & Pumping - Civil	\$269,387	2
SE Sludge Collection & Pumping - Electrical	\$39,462	2
SE Sludge Collection & Pumping - Mechanical	\$191,187	2
SE Sludge Digester (Primary) - Civil	\$1,246,174	4
SE Sludge Digester (Primary) - Electrical	\$11,249	2
SE Sludge Digester (Primary) - Mechanical	\$273,376	2
SE Sludge Digester (Secondary) - Civil	\$830,782	2
SE Sludge Digester (Secondary) - Electrical	\$7,923	2
SE Sludge Digester (Secondary) - Mechanical	\$153,198	2
SE Sludge Disposal - Civil	\$459,604	2
SE Sludge Disposal - Electrical	\$99,378	4
SE Sludge Disposal - Mechanical	\$378,752	4
SE Sludge Disposal - Sludge Press	\$18,816	2
SE Trickling Filter	\$19,320	1
SE Trickling Filter - Civil	\$3,310,791	3
SE Trickling Filter - Electrical	\$20,321	3
SE Trickling Filter - Mechanical	\$763,922	3
Grand Total	\$75,904,576	166,649

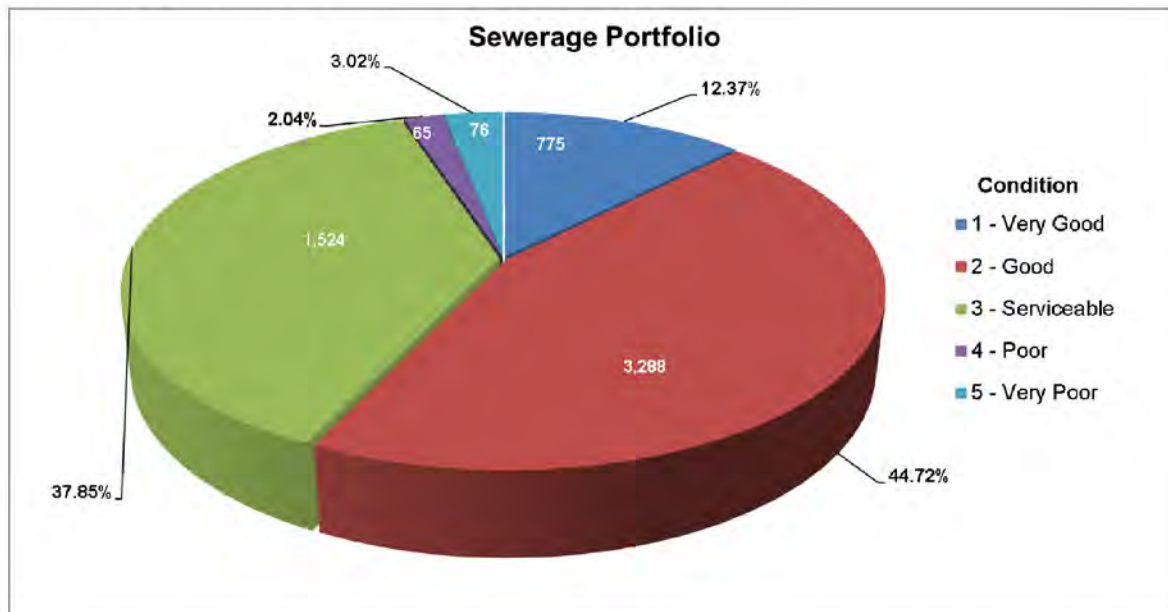
2.3.2 Condition Summary

The following table and chart provide an overall view of the condition profile for the sewerage portfolio by value.

Table 2.2 Condition Summary

Condition Score	Condition %age	No of Assets	Total Replacement Cost
1 - Very Good	12.37%	775	\$9,391,191
2 - Good	44.72%	3288	\$33,940,813
3 - Serviceable	37.85%	1524	\$28,732,968
4 - Poor	2.04%	65	\$1,550,552
5 - Very Poor	3.02%	76	\$2,289,052
Grand Total	100.00%	5,728	\$75,904,576

Figure 2.3 Condition Pie Chart



Assets in condition 5 are considered in very poor condition and likely to be scheduled for refurbishment or renewal within the next 3 years. Assets in condition 4 are approaching the end of their service life and may require refurbishment or renewal within the 10-year forecast period.

As can be seen from the table and chart above, Council has 3.02% of its portfolio (\$2.3M) in condition 5. These are primarily pumpstation pumps and switchboards, and treatment plant process elements reaching the end of their service life. These assets are included in the capital renewal program with prioritisation of projects determined by annual assessments which consider criticality of the asset and the availability of both Council resources and contractors.

One of Council's key service standards is to maintain the portfolio's overall condition index (OCI) in a condition state of 3.0 or better.

The current OCI is 2.19 is hence above the target minimum of 3.0.

3 FUTURE DEMAND

3.3 Demand Forecast

The future demand for services is derived from Council's Priority Infrastructure Plan, soon to be updated to the Local Government Infrastructure Plan (LGIP) as per the Sustainability Planning Act 2009.

The Executive Level Asset Management Plan describes the growth forecast for Burdekin Shire Council and results indicate little to no growth anticipated over the forecast period.

As such, any minor increase in demand for residential services can be accommodated within the capacity and capability of the existing portfolio of assets. The sewerage systems were designed and constructed in the 1970's with allowance for some growth into the future. There has been growth in both catchment area and sewage volumes over the last 40 years resulting in some isolated sections of the system which have minimal capacity to accept further growth and may require augmentation in the future.

While minimal growth in population is forecast, potential for industrial growth with value-adding processing opportunities exist for the agricultural and industry sectors. These types of industries are known to produce high volumes of trade waste with potentially high concentrations of pollutants, requiring additional disposal facilities in addition to existing infrastructure.

Council needs to monitor the types of industries being developed to ensure they are dealing with their waste correctly.

3.4 Demand Management Plan

Demand shall be managed through the ongoing monitoring of wastewater flow into the treatment plants, as well as measurement and monitoring of infiltration/inflow into the system through breaks and illegal connections. Typically, this is shown through the difference between the normal dry weather and wet weather flows.

Where results indicate excessive infiltration/inflow, further investigations will be undertaken to determine the most appropriate action.

Trade waste inflows typically have the most impact on the operation of the treatment plants and asset deterioration. Ongoing licencing and monitoring of trade waste occurs to support the management of the asset base.

4 LEVELS OF SERVICE

4.1 Community Research and Expectations

Investigations to date regarding community expectations and satisfaction levels have been directed towards Council's overall performance rather than performance for this particular asset portfolio.

4.2 Community and Technical Levels of Service

Council has developed Customer Service Standards and relevant targets for both Water Supply and Sewerage services which comply with the requirements of the Water Supply (Safety and Reliability) Act 2008. These standards define the service levels Council provides to its customers and are defined in Council's "Customer Service Standard, Water and Wastewater" (April 2015). The standards generally address the following criteria,

- Water Quality
- Reliability
- Asset performance and condition
- Customer Satisfaction
- Maintenance

4.3 Conclusions Drawn

Breakages and chokes are reducing compared to previous years; and complaints are fewer than the minimum target. Operating costs appear to be rising faster than CPI.

Improvements to the above performance reporting will include the following:

Key performance indicators listed in the Wastewater Maintenance Levels of Service & Intervention Levels Manual should be reported per annum and results and annual trends incorporated into future asset management plans.

5 LIFECYCLE MANAGEMENT STRATEGY

The lifecycle management plan details how Council plans to manage and maintain its assets at the agreed levels of condition and service whilst optimising life cycle costs. Council's Asset Management Strategy provides further details on the processes and systems employed to develop this asset class plan.

5.1 Renewal/Replacement Plan

Council maintains an asset register of all collection and treatment assets. Assets are typically broken down into component parts for valuation and renewals planning such as:

- Mains and manholes – are typically individual assets that facilitate connection of properties to the sewage network.
- Pumpstations – typically divided into structure, pumps, electrical, ventilation, pipes and valves.
- Treatment plant elements - each typically identified as mechanical, electrical and civil components.

Each component asset is revalued periodically by external valuers for observable assets, including buildings. Council conducts valuations for remaining sewerage assets based upon first principles and condition scores that are obtained by physical inspections and CCTV surveys (where possible). Depending upon movement in asset cost indices and/or materiality thresholds, revaluations will occur for this asset class from time to time. Updated indices data is sourced from suppliers, valuers, and other Councils.

This data is updated into the asset register and then fed into modelling software to generate a draft list of renewal works for the forecast period. Modelling software projects the year each component asset will reach condition score 5 (end of life) by defining a draft renewals forecast.

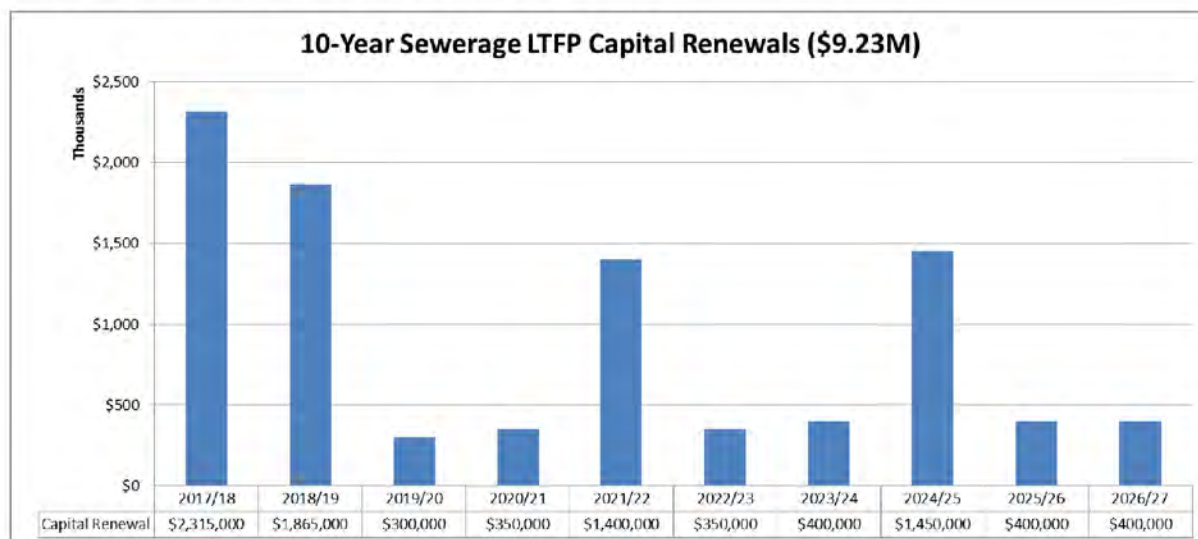
This forecast is provided to the relevant asset manager to review, assess and subsequently make decisions on what projects shall be included in the capital bids submission.

Results presented on the next page compare and discuss the draft capital renewals program against the draft forecast proposed by modelling software.

5.1.1 Forward Capital Renewals Program

Figure 5.1 presents the asset register forecast renewals based on asset condition scores and remaining useful lives. Appendix B present approved Long Term Financial Plan (LTFP) capital renewal projects. Renewals vary from year to year but total \$9.23M over the 10-year forecast period.

Figure 5.1 – 10-Year LTFP Capital Renewals



5.1.2 Analysis

The total expenditure proposed for renewal of sewerage infrastructure over the next 10 years is \$9.23M, which is below the cumulative depreciation estimate of \$12.62M (73.2%). Although below the recommended 90% threshold, Council is still in a sound asset management position. These values, together with the current maintenance and monitoring undertaken are ensuring the overall condition level of the portfolio remains above an OCI of 3.0.

5.2 Creation/Acquisition/Upgrade Plan

Council's capital bids for the 2017/2018 financial year identify the following sewerage upgrade works.

Table 5.3 –Capital Upgrades

Fin Year	Description	Total
2017-18	Ayr Industrial Estate Expansion Project - Sewerage	\$40,000
2018-19	Home Hill No 1 SPS Rising Main Duplication (Construction)	\$450,000
2018-19	Ayr No 1 Rising Main Duplication (Construction)	\$1,250,000
2019-20	Ayr No 1 Rising Main Duplication (Construction)	\$1,250,000
Grand Total		\$2,990,000

5.3 Maintenance Planning

Maintenance is the regular on-going work that is necessary to keep an asset operating within its normal serviceable physical condition, including instances where a mechanical or electrical component fails and needs short-term repairs to make the component useable again.

5.3.1 Scheduled and Unscheduled Maintenance

Council's response to maintenance for sewerage infrastructure is defined in Council's Wastewater Maintenance Levels of Service and Intervention Levels manual. Within this manual are details of the service standards and response times to particular event types.

The majority of Council's maintenance expenditure is for unscheduled maintenance activities carried-out in response to service requests, condition audits and management/supervisory directions.

Council presently does not budget or report separately on scheduled and unscheduled maintenance. However, following implementation of Technology One's works and assets management system, this will be gradually introduced over coming years.

5.3.2 Future Maintenance Expenditure

The growth related capital as described above will increase the overall portfolio value by 3.9%.

The consequential impact on maintenance budgets now includes an allowance for new capital works undertaken during the previous financial year. Annual reviews will take into account any revised forecasts for maintenance.

The scheduled maintenance budget table presented as Figure 5.4 – Maintenance Expenditure Table on the following page is estimated to be 75% Scheduled, and 25% Unscheduled of the overall maintenance budget.

Table 5.4 – Maintenance Expenditure Table

Years	Maintenance Expenditure		
	Scheduled Maintenance	Unscheduled Maintenance	Total
2017/18	\$629,171	\$209,724	\$838,894
2018/19	\$629,771	\$209,924	\$839,694
2019/20	\$655,271	\$218,424	\$873,694
2020/21	\$674,021	\$224,674	\$898,694
2021/22	\$674,021	\$224,674	\$898,694
2022/23	\$674,021	\$224,674	\$898,694
2023/24	\$674,021	\$224,674	\$898,694
2024/25	\$674,021	\$224,674	\$898,694
2025/26	\$674,021	\$224,674	\$898,694
2026/27	\$674,021	\$224,674	\$898,694
TOTAL	\$6,632,360	\$2,210,790	\$8,843,140

5.4 Disposal Plan

Disposal includes any activity associated with disposal of or decommissioning an asset including sale, demolition or relocation.

No current sewerage assets are currently under consideration for disposal.

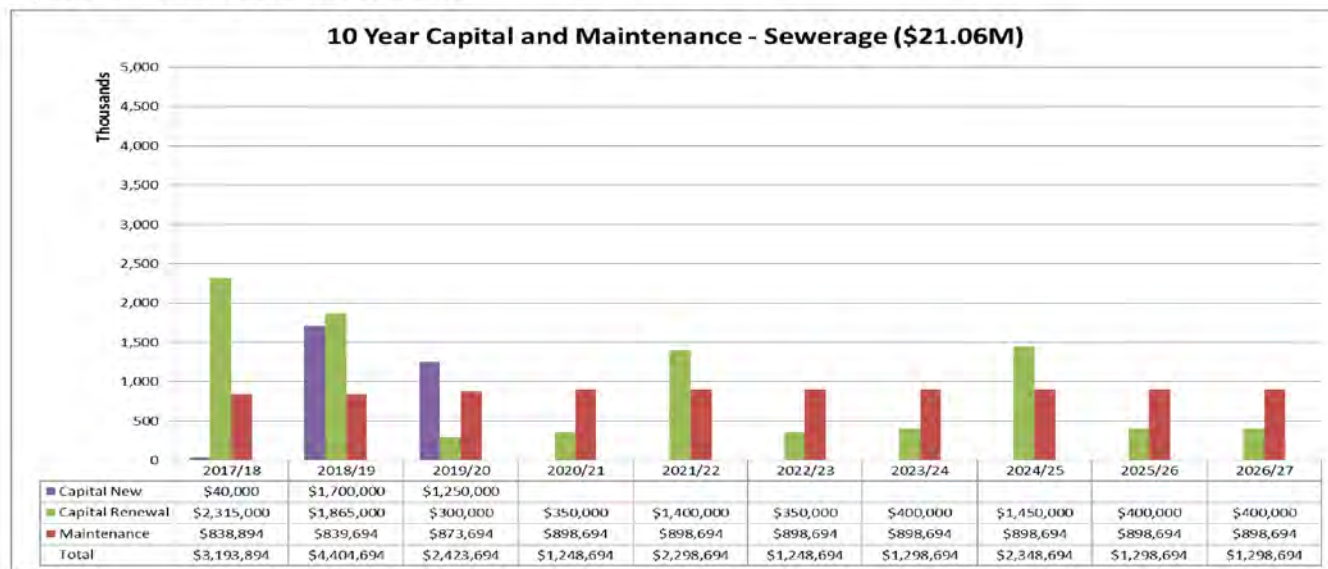
6 FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

6.1 10 Year Expenditure Projection

The following figure identifies the estimated maintenance and capital expenditure required to provide an agreed level of service to the community over the 10-year forecast period.

Figure 6.1 10 Year Expenditure Forecast



6.2 Financial Performance Measures

This section reports on the financial sustainability of the proposed forward capital works program.

Refer to the Executive Level Asset Management Plan for detailed description of each performance measure.

The projected Sewerage depreciation expense for FY 2017/18 is \$ \$1,223,200. .

6.2.1 Asset Sustainability Ratio

Asset Sustainability Ratio - is capital renewal expenditure divided by the depreciation expense, expressed as a percentage.

Asset Sustainability Ratio = $\$923,000 / \$1,261,608 = 73.2\%$ (20 year forecast 88%)

Previous Asset Management Plan performance (2012) was 88.5%

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period).

6.2.2 Future Renewal Funding Ratio

Net present value (NPV) is planned capital expenditure over the forecast period, divided by the NPV of the required capital expenditure over the same period within this asset management plan.

Future Renewal Funding Ratio = $\$9.23\text{M} / \$3.79\text{M} = 243.6\%$

Previous Asset Management Plan performance (2012) was 100%

The overall funding proposed for the 10-year forecast period is proposed to be 243.6% of the required expenditure as defined by modelling software. This should enable Council to stay on top of the renewals program for this asset portfolio.

Asset register data indicates \$29.6M in renewals will be required over the next 30 years therefore investing \$9.23M over the next 10 years should allow the long term forecast to be achievable and fundable.

6.2.3 Asset Consumption Ratio

Depreciated replacement cost (DRC) divided by the current replacement cost (CRC), expressed as a percentage.

Asset Consumption Ratio $\$34.5\text{M} / \$75.9\text{M} = 45.5\%$

Previous Asset Management Plan performance (2012) was 52.0%

6.2.4 Impact of Inflation

Figures presented over the 10-year forecast period are expressed in current year terms and have not been indexed to consider inflation.

6.3 Funding Strategy

The projected expenditure identified is to be funded from Council's operating and capital budgets. The funding strategy is detailed in Council's 10-year long term financial plan.

7 ASSET CLASS RISKS AND IMPROVEMENT PLAN

7.1 Risk Management Plan

The following table lists the risks specific to this asset class and their current and proposed risk management controls. Refer to the Executive Level Asset Management Plan for Risks that are applicable across all asset classes. These risks are described in alignment with Council's Enterprise Risk Management Policy and associated Risk Matrix as documented in Council's Asset Management Strategy.

Figure 7.1 – Corporate Risk Management Plan

ITEM NO.	RISK	CAUSES	CURRENT CONTROLS	ADDITIONAL CONTROLS (TO BE RECORDED IN 'CURRENT CONTROLS' ONCE IMPLEMENTED)	RESIDUAL RISK RATING		
					LIKELIHOOD	CONSEQUENCE	RISK RATING
1	Insufficient capacity of existing treatment plants to service growth in industrial investment.	Potential growth in industrial discharge to sewerage system.	Limited controls currently in place. Trade Waste Management Plan	Strategic review of existing treatment plants relative to capacity. Identification of future investment and upgrade options.	POSSIBLE – 5	MAJOR -16	HIGH – 21
2	Non-compliance with licencing requirements relative to quantity and quality of discharges to environment and waterways.	Potential system-related deficiencies in existing treatment plant systems. Systems have limited capacity to treat increased volumes.	Program of improvements and upgrades to existing plants. Review of current licencing requirements to determine current or future shortfalls.	Strategic review of existing plants relative to treatment systems and improvement in the quality of discharge. Consult with the State Authority in respect to current licencing requirements.	POSSIBLE – 5	MODERATE - 11	MEDIUM – 16
3	Wastewater plant and equipment failures.	Equipment age and condition.	Monitoring and maintenance regimes. Programed plant replacement.	Contingency plans for major failures and supply disruptions.	LIKELY – 7	MODERATE -11	MEDIUM – 18
4	Stormwater discharge entering sewerage network negatively impacting treatment capacity.	Stormwater illegally connected to sewerage network.	CCTV investigation program to identify network damage and possible intrusion of water.	Implement smoke testing of networks in suburban and industrial areas to locate illegal connections.	LIKELY – 7	MODERATE -11	MEDIUM – 18
5	Environmental or accidental damage to network, resulting from pump station overflows due to excessive inflows or component failure	Subsidence or location disturbance. Possible damage by vehicular traffic or excavation works.	CCTV investigation program to identify network damage and possible intrusion of water.	Take steps to ensure that subterranean network information (engineering plans and GIS records) are kept up to date and made available on request.	POSSIBLE - 5	MINOR -6	MEDIUM - 11

Effective Date: 19/04/2018

PUBLIC

Page 20 of 25

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7.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown below.

Figure 7.2 – Improvement Plan

Task No	Task	Responsibility	Timeline
1.	Review environmental licencing requirements with development of future strategies to maintain compliance.	Manager Technical Services Manager Operations Manager Water and Waste Water	December 2019
2.	Review scheduled and unscheduled maintenance cost estimates. .	Manager Technical Services	December 2019
3.	Develop contingency plans for critical infrastructure.	Manager Technical Services	August 2020
4.	Implement smoke testing program to address possible high infiltration/inflows zones.	Manager Water and Wastewater	August 2020

7.3 Monitoring and Review Procedures

This asset management plan will be reviewed and refined during annual budget preparation and amended/updated to recognise any changes in service levels and/or resources available to provide those services as a result of the budget decision process.

8 SUPPORT / REFERENCE DOCUMENTS

The following describes the relevant documents that support the production of this asset management plan.

Please refer to the Executive Level Asset Management Plan which describes the hierarchy of asset management related documents across Council.

8.1 Sewerage Maintenance Levels of Service and Intervention Manual

Describes the list of assets that make up this portfolio as well as the desired response times to customer, and other, requests for work that vary depending on the priority rating applied to the asset or asset type.

8.2 Statewide Water Information Management (SWIM) Statistical Reporting

Data is provided to the Queensland Water Directorate annually, which provides a comprehensive set of operational and performance data suitable for use in this plan.

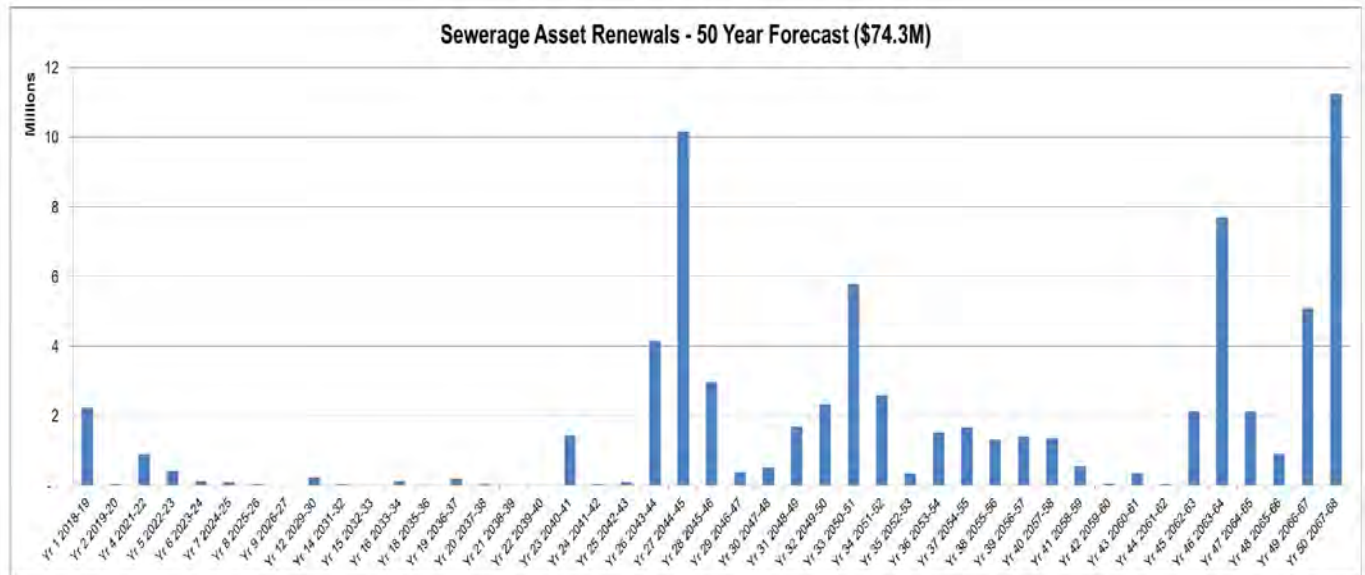
9 APPENDICES

9.1 Appendix A Asset Register Derived Long Range Renewals Forecast

The following chart provides an indication of the potential renewal requirements beyond the 10-year forecast period covered by this asset management plan.

Broad level conclusions can be drawn regarding the level of expenditure that may be required for future asset management plans.

Figure 8.1 – Long Range Asset Renewals Chart



9.2 Appendix B Council's 10 Year Forward Capital Renewals

The following table details the capital works projects as described in Council's capital bids spreadsheet divided into renewal and other project costs. Other costs generally align with augmentation or expansion type works.

Figure 9.2 – Capital Bids Project Listing

Fin Year	Description	Project Cost Renewal	Project Cost Other
2017-18	Ayr Industrial Estate Expansion Project - Sewerage		\$40,000
	Ayr Waste Water Treatment Plant - Refurbish Secondary Clarifier Bridge	\$75,000	
	Ayr Waste Water Treatment Plant - Replace Trickle Filter Arms (Primary and Secondary)	\$260,000	
	Home Hill Waste Water Treatment Plant - Refurbish Secondary Digester Bridge	\$40,000	
	Home Hill Waste Water Treatment Plant - Replace Trickle Filter Arms	\$110,000	
	Sewer Pump Station Switchboard Replacement Program (Ayr/Brandon and Home Hill)	\$1,580,000	
	Sewerage Replacement/Refurbishment of Assets	\$250,000	
2018-19	Ayr No 1 Rising Main Duplication (Construction)		\$1,250,000
	Home Hill No 1 SPS Rising Main Duplication (Construction)		\$450,000
	Refurbish HH WWTP Primary Clarifier Bridge	\$175,000	
	Sewer Pump Station Switchboard Replacement program	\$340,000	
	Sewer Reline Project	\$1,050,000	
	Sewerage Replacement/Refurbishment of Assets	\$300,000	
2019-20	Ayr No 1 Rising Main Duplication (Construction)		\$1,250,000
	Sewerage Replacement/Refurbishment of Assets	\$300,000	
2020-21	Sewerage Replacement/Refurbishment of Assets	\$350,000	
2021-22	Sewer Reline Project	\$1,050,000	
	Sewerage Replacement/Refurbishment of Assets	\$350,000	
2022-23	Sewerage Replacement/Refurbishment of Assets	\$350,000	
2023-24	Sewerage Replacement/Refurbishment of Assets	\$400,000	
2024-25	Sewer Reline Project	\$1,050,000	
	Sewerage Replacement/Refurbishment of Assets	\$400,000	
2025-26	Sewerage Replacement/Refurbishment of Assets	\$400,000	
2026-27	Sewerage Replacement/Refurbishment of Assets	\$400,000	
Grand Total		\$9,230,000	\$2,990,000

Transport Asset Management Plan

April 2018



Document Control		Next Review – July 2020 (Financials reviewed annually)			
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Contents

1	EXECUTIVE SUMMARY	5
1.1	Portfolio Description	5
1.2	Expenditure Forecast	5
1.3	Financial Performance Measures	6
1.4	The Next Steps	7
1.5	Plan Adoption Date	7
2.	INTRODUCTION	8
2.1	Purpose	8
2.2	Overview of this Plan	8
2.3	Portfolio Description	8
2.3.1	Asset Summary	8
2.3.2	Condition Summary	10
3	FUTURE DEMAND	12
3.1	Demand Forecast	12
3.2	Demand Management Plan	12
4.	LEVELS OF SERVICE	13
4.1	Community Research and Expectations	13
4.2	Community Levels of Service	13
4.3	Technical Levels of Service	14
5	LIFECYCLE MANAGEMENT STRATEGY	15
5.1	Renewal/Replacement Plan	15
5.1.2	Forward Capital Renewals Program	15
5.2	Creation/Acquisition/Upgrade Plan	17
5.3	Maintenance Planning	17
5.3.1	Scheduled and Unscheduled Maintenance	17
5.3.2	Future Maintenance Expenditure	18
5.3.3	Disposal Plan	18
6	FINANCIAL SUMMARY	19
6.1	10 Year Expenditure Projection	19
6.2	Financial Performance Measures	20
6.2.1	Asset Sustainability Ratio	20
6.2.2	Asset Renewal Funding Ratio	20
6.2.3	Asset Consumption Ratio	20
6.2.4	Impact of Inflation	20

6.3	Funding Strategy	20
6.4	Key Assumptions made in Financial Forecasts	20
7	ASSET CLASS RISKS AND IMPROVEMENT PLAN	21
7.1	Risk Management Plan	21
7.2	Improvement Plan.....	22
7.3	Monitoring and Review Procedures	22
8	SUPPORT / REFERENCE DOCUMENTS	23
8.1	Transport Levels of Service Manual.....	23
9	APPENDICES	24
9.1	Appendix A Asset Register Derived Long Range Renewals Forecast.....	24
9.2	Appendix B - 10-Year Forward Capital Works Projects by Year	25

1 EXECUTIVE SUMMARY

1.1 Portfolio Description

Burdekin Shire Council's Transport portfolio comprises an extensive network of urban and rural, sealed and unsealed roads plus associated road network assets.

Key statistics are as follows:

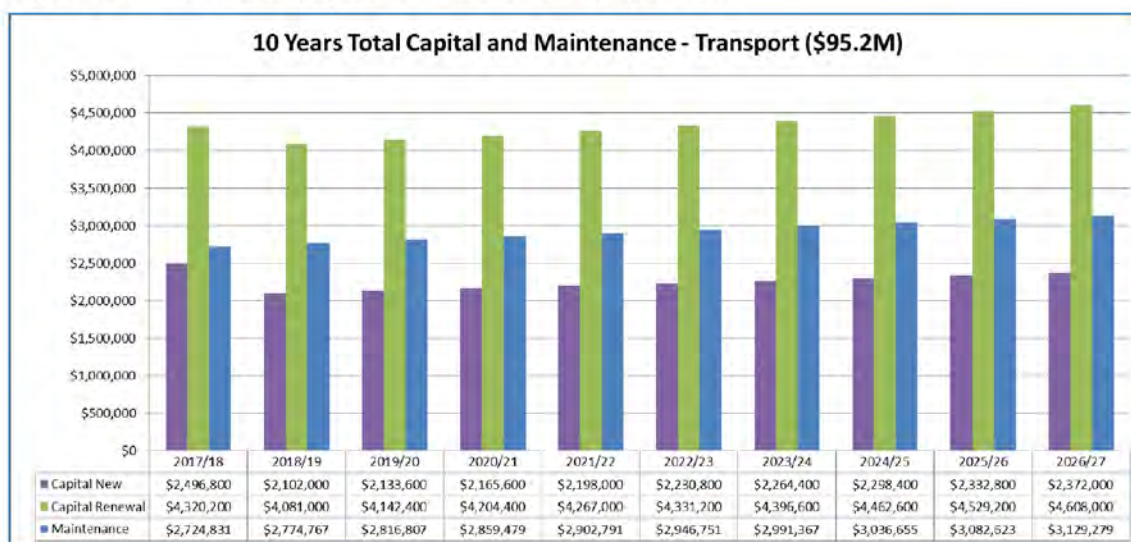
- 1,147km of roads, of which 733km are sealed (64%)
- 7 vehicle bridges
- 1 pedestrian bridge
- 8 major culverts
- 2701 culverts, pipes and inverts (29.09km)
- 40.1km of paths and cycleways
- 189km of kerb and channel
- 29 roundabouts.

The total replacement value of Council's Transport portfolio as provided in the financial asset register at 30 June 2017 was \$400.3M.

1.2 Expenditure Forecast

The following chart provides a summary level view of Council's planned capital renewal, capital new, and maintenance expenditure over the outlook period.

Figure 1.1 Planned Capital and Maintenance Forecast



The growth related capital as described above will increase the overall portfolio value by 5.6%.

The consequential impact on maintenance budgets now includes an allowance for new capital works undertaken during the previous financial year. Annual reviews will take into account any revised forecasts for maintenance. Please note, maintenance costs do not include overheads such as supervision, design, office costs, or restoration works carried-out under Natural Disaster Relief and Recovery Arrangements (NDRRA).

Capital new expenditure is for improved services in accordance with the strategies in Council's Corporate Plan and long term Financial Plan and includes:

- Rural road widenings and upgrades
- Provision of kerbing and channelling to urban areas
- Expansion of Council's walking and cycleway network

Key comparison figures reviewed against the planned capital renewals expenditure are as follows:

Planned capital renewals over the next ten years.	\$43,342,600
The cumulative annual depreciation over the 10-year forecast period.	\$50,221,754
What the financial asset register says we should renew (remaining life based).	\$19,098,433

Local Government Regulation 2012 Chapter 5 - Financial planning and accountability [Section 169] provides key indicators to determine how well a Local Government manages infrastructure assets.

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period). Planned capital renewal expenditure is 86.3% of depreciation over the forecast period. As such, planned renewal estimates, while not keeping pace with depreciation, are projected to maintain the transport portfolio in a healthy overall lifecycle position.

Appendix A provides a chart showing the long term renewals forecast generated from the financial asset register. Over the next 10 years, \$18.5M in renewals is anticipated whilst over the next 20 years the amount is \$33.9M and \$241.2M over the next 60 years.

The average annual expenditure required over the 60-year forecast is approximately \$4.02M

1.3 Financial Performance Measures

The following financial performance measures have been generated for this plan.

Table 1.1 Financial Performance Measures

Performance Measure	This Plan	Previous Plan (2012)
Asset sustainability ratio	86.3%	127.2%
Future renewal funding ratio	226.9%	100.0%
Asset consumption ratio	84.4%	84.0%

The Asset Consumption Ratio indicates the overall written down value of the portfolio at 84.4%, indicating the portfolio is in good condition overall.

1.4 The Next Steps

The key actions and improvements resulting from this asset management plan are:

- Executive level improvements applicable to all asset management plans are detailed in the Executive Level Asset Management Plan.
- Disaster recovery plans to incorporate road priorities in order to assist with planning reconstruction schedules and any desired resilience works.
- Following development of the road network strategy, prepare the schedule for road reconstructions and augmentation works thereby bringing higher priority works into alignment with the strategy over the outlook period.

1.5 Plan Adoption Date

This Asset Management Plan was formally adopted by Burdekin Shire Council on (TBA).

2. INTRODUCTION

2.1 Purpose

This asset management plan defines Burdekin Shire Council's strategy for the responsible management of its transport assets (roads and associated infrastructure) in a manner that is compliant with regulatory requirements and is sustainable within available resources. This plan will also be used to communicate any need for additional funding in order to provide the required levels of service.

This plan should be read in conjunction with Council's Executive Level Asset Management Plan, which contains a number of sections describing Council's approach to asset management that is common across all asset management plans.

2.2 Overview of this Plan

This plan focuses on providing the following key information to assist long term planning for infrastructure and property assets to support and sustain service standards:

- Portfolio description – provides an understanding of the current asset base used to deliver services to the community.
- Future demand – provides an understanding of the current and future changes in demand over the forecast period to allow for the inclusion in financial planning for any growth related capital works.
- Levels of service and performance – provides strategic-level asset performance targets and current performance to drive required capital or maintenance intervention works.
- Financial forecasts and sustainability measures – provides forecast for both unrestricted and restricted budgets and their resulting impacts and implications regarding the long-term sustainability of services standards.
- Asset management improvements – provides a listing of key action items and improvements proposed to enable future versions of this plan to improve accuracy or confidence in the forecasts made.

2.3 Portfolio Description

2.3.1 Asset Summary

Burdekin Shire Council's transport portfolio comprises an extensive network of urban and rural, sealed and unsealed roads plus associated road network assets.

Key statistics are as follows:

- 1,147km of roads, of which 733km are sealed (64%)
- 7 vehicle bridges
- 1 pedestrian bridge
- 8 major culverts
- 2701 culverts, pipes and inverts (29.09km)
- 40.1km of paths and cycleways
- 189km of kerb and channel
- 29 roundabouts.

The following table provides a summary of the asset portfolio by asset type. Current asset cost equates to current construction cost as at 30 June 2017. The total replacement value of the transport portfolio is \$400.3M.

Table 2.1 Asset Summary

Category	Group	Replacement Cost	Written Down Value
Bridges & Major Culverts	Major Culvert	\$1,082,787	\$1,010,764
	Pedestrian Bridge	\$65,543	\$18,353
	Road Bridge (Standard)	\$9,272,274	\$7,228,730
Bridges & Major Culverts Total		\$10,420,603	\$8,257,847
Minor Culverts/Pipes	Box Culvert	\$32,279,305	\$20,021,772
	Pipe	\$9,886,324	\$5,320,290
Minor Culverts/Pipes Total		\$42,165,629	\$25,342,062
Off Street Car Park and Hardstand	Hardstand	\$12,382	\$12,221
	Sealed Car Park	\$170,011	\$143,171
	Unsealed Car Park	\$378,808	\$210,809
Off Street Car Park and Hardstand Total		\$561,201	\$366,201
Pathways	Cycle	\$33,969	\$28,058
	Dual use & Shared	\$8,380,736	\$5,482,557
	Pedestrian	\$1,449,983	\$752,987
Pathways Total		\$9,864,687	\$6,263,602
Road Reserve Amenities	Fencing	\$23,183	\$13,183
	Retaining Wall	\$33,840	\$33,365
Road Reserve Amenities Total		\$57,023	\$46,548
Roads	Concrete Floodway	\$45,365	\$45,095
	Concrete Invert	\$310,358	\$243,924
	Kerb & Channel	\$28,107,512	\$19,894,367
	Pavement	\$154,672,966	\$131,230,887
	Seals	\$26,733,692	\$20,226,134
	Subgrade	\$121,269,650	\$121,269,650
Roads Total		\$331,139,543	\$292,910,057
Traffic Management	Pedestrian Refuge	\$60,275	\$31,345
	Roundabout	\$5,930,000	\$4,540,727
	Speed Hump	\$37,805	\$18,147
	Traffic Island & Median Strip	\$70,778	\$54,988
Traffic Management Total		\$6,098,858	\$4,645,207
Grand Total		\$400,307,545	\$337,831,524

2.3.2 Condition Summary

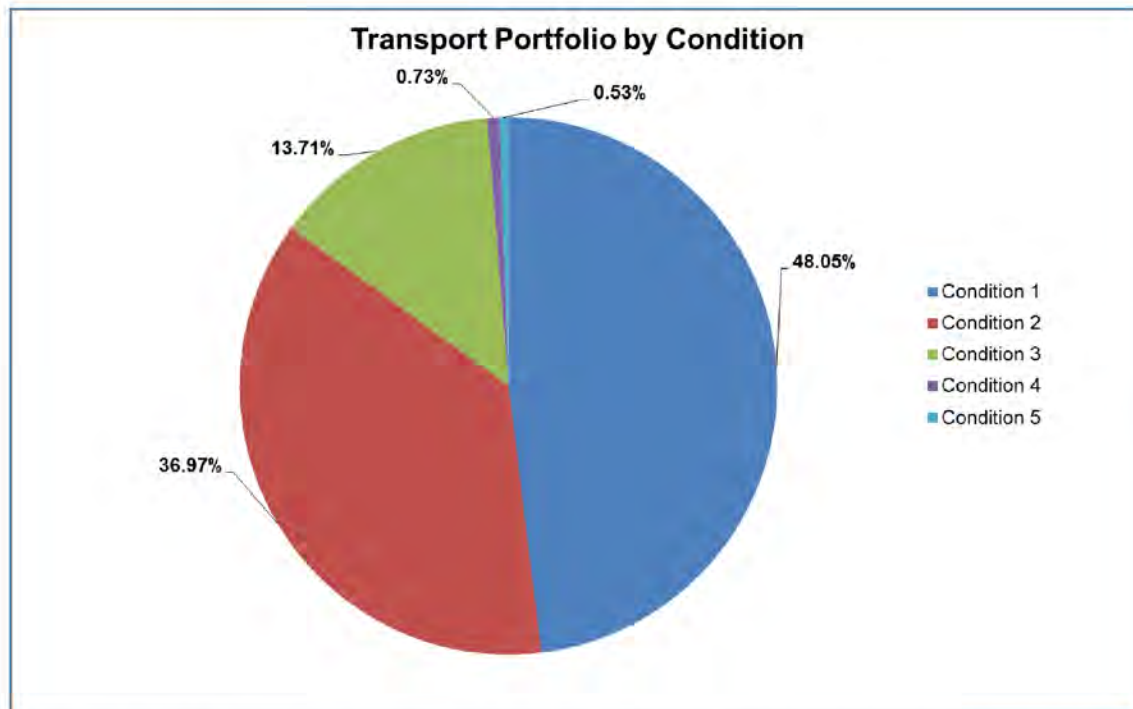
The following table and chart provide an overall view of the condition profile for the transport portfolio shown as a percentage of the asset cost.

Table 2.2 Transport Condition Summary

Transport Condition Ratings and Value	1	2	3	4	5	Total Value
Bridges & Major Culverts						
Major Culvert	\$537,244	\$545,542				\$1,082,787
Pedestrian Bridge	\$537,244	\$545,542	\$65,543			\$65,543
Road Bridge (Standard)	\$537,244	\$9,388,715	\$494,644			\$9,272,274
Bridges & Major Culverts Total						\$10,420,603
Minor Culverts/Pipes						
Box Culvert	\$3,439,302	\$21,231,154	\$6,336,763	\$626,840	\$645,246	\$32,279,305
Pipe	\$4,787,882	\$26,365,955	\$8,406,507	\$1,455,863	\$1,149,421	\$9,886,324
Minor Culverts/Pipes Total						\$42,165,629
Off Street Car Park and Hardstand						
Hardstand	\$12,382					\$12,382
Sealed Car Park	\$182,394					\$170,011
Unsealed Car Park	\$561,201					\$378,808
Off Street Car Park and Hardstand Total						\$561,201
Pathways						
Cycle	\$13,775	\$20,194				\$33,969
Dual use & Shared	\$3,746,868	\$2,867,299	\$415,058	\$849,375	\$536,106	\$8,380,736
Pedestrian	\$4,189,931	\$3,327,146	\$437,191	\$1,146,258	\$764,162	\$1,449,983
Pathways Total						\$9,864,687
Road Reserve Amenities						
Fencing	\$23,183					\$23,183
Retaining Wall	\$57,023					\$33,840
Road Reserve Amenities Total						\$57,023
Roads						
Concrete Floodway	\$45,365					\$45,365
Concrete Invert	\$153,871	\$201,852				\$310,358
Kerb & Channel	\$2,556,091	\$25,002,701	\$893,491	\$10,952		\$28,107,512
Pavement	\$89,996,566	\$68,114,459	\$24,746,679	\$159,068	\$119,429	\$154,672,966
Seals	\$114,228,032	\$69,718,532	\$25,605,505	\$187,049	\$130,776	\$26,733,692
Subgrade	\$178,627,421	\$106,394,260	\$45,555,441	\$338,288	\$224,133	\$121,269,650
Roads Total						\$331,139,543
Traffic Management						
Pedestrian Refuge	\$60,275					\$60,275
Roundabout	\$3,460,275	\$2,530,000				\$5,930,000
Speed Hump	\$3,498,080	\$2,530,000				\$37,805
Traffic Island & Median Strip	\$3,568,858	\$2,530,000				\$70,778
Traffic Management Total						\$6,098,858
Total Transport Class						\$400,307,545

Overall, assets are in good condition with the majority being rated condition 1 or 2. It is also noted there are less than 1% of assets if condition is 4 or 5.

Figure 2.3 Transport Condition Chart



One of Council's key service standards is to maintain the portfolio's overall condition index (OCI) in a condition state of 3.0 or better. The current OCI of 1.72 is hence above the minimum level desired by Council.

3 FUTURE DEMAND

3.1 Demand Forecast

The future demand for services is derived from Council's Priority Infrastructure Plan, soon to be updated to the Local Government Infrastructure Plan (LGIP) as per the Sustainability Planning Act 2009.

The Executive Level Asset Management Plan describes the growth forecast for Burdekin Shire Council and results indicate little to no growth anticipated over the forecast period.

3.2 Demand Management Plan

The demand for transport services will be managed through ongoing monitoring of road usage through traffic counts plus the development of a road network strategy, due for release by June 2019.

The strategy shall classify all roads against a desired road hierarchy that caters for current and anticipated future vehicle movements. The desired standards for each road hierarchy shall be developed and a gap analysis undertaken to identify what improvements are required to bring all roads into alignment with their allocated hierarchy.

4. LEVELS OF SERVICE

4.1 Community Research and Expectations

Investigations to date regarding community expectations and satisfaction levels have been directed towards Council's overall performance, rather than performance for this particular asset portfolio. Overall customer performance measures are provided in the Executive Level Asset Management Plan as well as the community and technical levels of service recorded in the following tables.

4.2 Community Levels of Service

Community levels of service relate to how the community (or users) receive the service in terms of safety, quality, quantity, reliability, accessibility and responsiveness to requests.

Table 4.1 Transport Level of Service - Community

Key Performance Measure	Level of Service	Performance Measure	Performance Measure Process	Performance Target	Current Performance
Customer Satisfaction	Customers are satisfied with the service level provided by the transport network.	Customer satisfaction.	Customer surveys, customer request system, correspondence and social media.	85% of contacts satisfied with the service provided by the transport network.	TBA – future performance measure.
Safety	All reasonable measures will be taken to ensure Transport assets are safe for use.	Road design standards per hierarchy classification.	Design reviews and compliance reviews.	90% of roads and pathways are in accordance with acceptable design standards.	TBA – Transport Network Strategy document by June 2019.
				Zero black spots identified on Council road network.	No black spots identified on Council road network.
				Number of reported traffic accidents/km of local road below state average (asset related).	TBA
Access	Private property is to be accessible by road.	Number of private properties and duration of inability of access.	Customer requests system. Operations crews' feedback.	Less than 10% of properties isolated for more than 4 hours following any one-rainfall event. (Excludes riverine flooding).	TBA
Capacity	Assets have adequate capacity for their current function	Number of non-compliant locations.	Rolling review of 10% of transport network per year.	90% of roads audited meet minimum requirements of road classification standard.	TBA – awaiting Transport Network Strategy - June 2019

4.3 Technical Levels of Service

The following technical standards are provided to support the community standards.

Table 4.2 Transport Level of Service - Technical

Key Performance Measure	Level of Service	Performance Measure	Performance Measure Process	Performance Target	Current Performance
Compliance	Compliance with all legislative, regulatory and other mandatory standards for roads management including design standards, safety, etc.	Number of non-compliances.	Rolling review of 10% of transport network per year.	< 20% of reviewed road length non-compliant.	TBA – future performance measure.
Responsiveness	User is satisfied with the responsiveness of the Council to their works request.	Compliance with targets defined in Levels of Service manual.	Regular reporting on completion of customer requests (CRM) within defined targets.	95% of targets met annually.	TBA
Condition	Maintain assets in an acceptable condition and standard.	Average portfolio condition score. Number of high-risk assets in poor condition.	Ongoing condition audits. Risk matrix – condition v criticality.	Average portfolio condition ≤ 3 . Zero extreme or high-risk assets in condition 5.	OCI = 1.72 No high risk assets in Condition 5
Footpaths	Provision of footpaths where needed.	CBD – footpaths both sides.	Review of pedestrian movements to identify possible location for footpaths.	Programme developed to provide continuous improvement towards strategic plan.	TBA – awaiting Transport Network Strategy - June 2019.
Bridges and Culverts	Design standard.	Bridges and culverts are to be designed to the standard suitable for the roads classification.	Design review.	Continuous improvement of bridges and culverts to meet relevant design standard.	TBA – awaiting Transport Network Strategy - June 2019.

5 LIFECYCLE MANAGEMENT STRATEGY

The lifecycle management plan details how Council plans to manage and maintain its assets at the agreed levels of condition and service whilst optimising life cycle costs. Council's Asset Management Strategy provides further details on the processes and systems employed to develop this asset class plan.

5.1 Renewal/Replacement Plan

Council maintains an asset register of all transport assets. Assets are typically broken down into component parts for valuation and renewals planning such as:

Asset Type	Component Description
Bridges & Major Culverts	Road bridges, major culverts or pedestrian bridges
Minor Culverts/Pipes	Box culvert or pipe
Off Street Car Parking	No component types
Pathways	Dual use & shared, pedestrian or cycle
Road Reserve Amenities	Fencing
Roads	Concrete inverts, kerb & channel, pavements, seals and subgrades
Traffic Management	Pedestrian refuges, traffic island & median strip, roundabout or speed hump

External valuers undertake an annual desktop review, and three-yearly on-site inspections to update condition data and current costs for bridges and major culverts. Currently, road network inspections are undertaken three-yearly by external contractors using advanced road monitoring techniques, which identify asset condition data inputs that are analysed to produce revised condition data and uploaded into the asset register. Road assets are then revalued using the latest unit rates determined by Council.

Remaining useful lives are used to forecast renewal expenditure for the outlook period and to generate renewal programs. The forecast is then provided to the relevant asset manager to assess and make decisions on what projects are to be included in the capital bids submission.

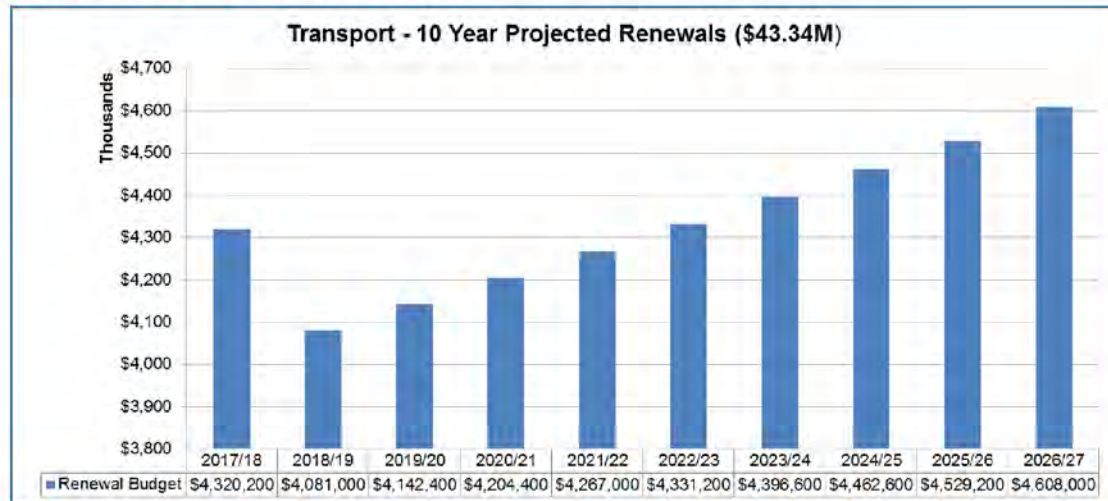
5.1.2 Forward Capital Renewals Program

Figure 5.1 and Appendix B present capital renewal projects.

Renewal investments are projected at \$43.34M over the 10-year forecast period, based on historical trends.

Figures are presented in current dollar terms indicating an increase per annum in expenditure.

Figure 5.1 –Capital Renewals Chart.



5.2 Creation/Acquisition/Upgrade Plan

The following projects have been identified in Council's 10-year capital forecast.

Estimates for years 2 to 10 are provided to address road widenings and other upgrades as existing roads are renewed to align with the proposed Road Network Strategy.

Table 5.2 –Capital Upgrades

Fin Year	Description	Project Cost Other
2017/18	Roadworks	\$1,872,800
2017/18	Kerb & Channelling - Fourth Street	\$172,000
2017/18	Roundabout - Young and Macmillan Street	\$80,000
2017/18	Plantation Park - Sealing Roads and Car Park	\$66,000
2017/18	Upgrade of Existing Footpaths	\$80,000
2017/18	Ayr Industrial Estate Expansion Project - Roadworks	\$226,000
2018/19	Roadworks	\$2,102,000
2019/20	Roadworks	\$2,133,600
2020/21	Roadworks	\$2,165,600
2021/22	Roadworks	\$2,198,000
2022/23	Roadworks	\$2,230,800
2023/24	Roadworks	\$2,264,400
2024/25	Roadworks	\$2,298,400
2025/26	Roadworks	\$2,332,800
2026/27	Roadworks	\$2,372,000
Grand Total		\$22,594,400

5.3 Maintenance Planning

Maintenance is the regular on-going work that is necessary to keep assets operating within their normal serviceable physical condition, including rectification works to restore the asset back to an acceptable standard.

5.3.1 Scheduled and Unscheduled Maintenance

Council's response to maintenance on roads infrastructure is defined in Council's Transport Maintenance Level of Service Manual. Within this manual are details of the service standards as well as response times to particular event types.

The majority of Council's maintenance expenditure is for scheduled maintenance activities identified by asset inspections, prioritisation and inclusion to maintenance programs.

5.3.2 Future Maintenance Expenditure

The growth related capital, as described above, will increase the overall portfolio value by 5.6% over the forecast period. The consequential impact on maintenance budgets now includes an allowance for new capital works undertaken during the previous financial year. Annual reviews will take into account any revised forecasts for maintenance.

The scheduled maintenance budget presented in the following table is estimated to be 20% of the overall maintenance budget.

Maintenance expenditure trends are shown in figure 5.3 below:

Table 5.3 – Maintenance Expenditure Table

Maintenance Expenditure			
Financial Year	Scheduled Maintenance	Unscheduled Maintenance	Total
2017/18	\$1,907,382	\$817,449	\$2,724,831
2018/19	\$1,942,337	\$832,430	\$2,774,767
2019/20	\$1,971,765	\$845,042	\$2,816,807
2020/21	\$2,001,635	\$857,844	\$2,859,479
2021/22	\$2,031,954	\$870,837	\$2,902,791
2022/23	\$2,062,726	\$884,025	\$2,946,751
2023/24	\$2,093,957	\$897,410	\$2,991,367
2024/25	\$2,125,659	\$910,997	\$3,036,655
2025/26	\$2,157,836	\$924,787	\$3,082,623
2026/27	\$2,190,495	\$938,784	\$3,129,279
Total	\$20,485,746	\$8,779,605	\$29,265,350

5.3.3 Disposal Plan

Disposal includes any activity associated with disposal of or decommissioning an asset including sale, demolition or relocation.

No transport assets are currently under consideration for disposal.

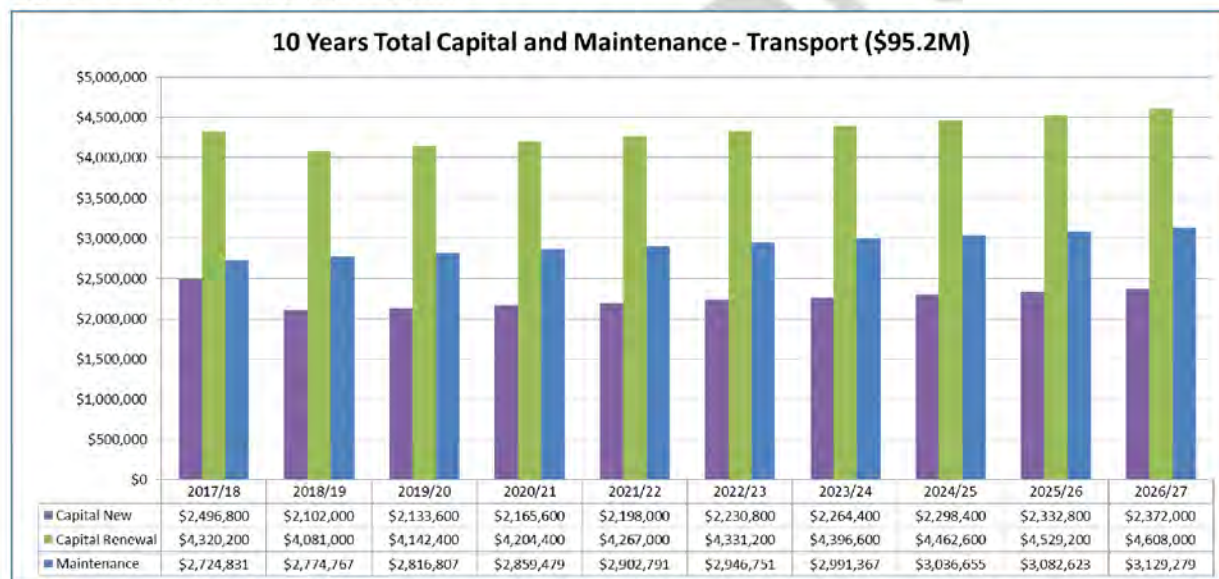
6 FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

6.1 10 Year Expenditure Projection

The following figure identifies the estimated maintenance and capital expenditure required to provide an agreed level of service to the community over the 10-year forecast period.

Figure 6.1 10 Year Expenditure Forecast



Effective Date: 19/04/2018

PUBLIC Page 19 of 26

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6.2 Financial Performance Measures

This section reports on the financial sustainability of the proposed forward capital works program.

Refer to the Executive Level Asset Management Plan for detailed description of each performance measure. The Transport portfolio's projected depreciation expense for FY 2017/18 is \$4,902,600.

6.2.1 Asset Sustainability Ratio

Asset sustainability ratio - is capital renewal expenditure divided by the depreciation expense, expressed as a percentage.

Asset sustainability ratio = $\$4,334,260 / \$5,022,175 = 86.3\%$

Previous asset management plan performance (2012) was 127.2%

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period).

6.2.2 Asset Renewal Funding Ratio

Net present value (NPV) of planned capital expenditure over the forecast period is divided by the NPV of the required capital expenditure over the same period.

Future renewal funding ratio = $\$43,342,600 / \$19,098,433 = 226.9\%$

Previous asset management plan performance (2012) was 100%

6.2.3 Asset Consumption Ratio

The asset consumption ratio is the depreciated replacement cost (DRC) divided by the current replacement cost (CRC), expressed as a percentage.

Asset consumption ratio = $\$337,831,524 / \$400,307,545 = 84.4\%$.

Previous asset management plan performance (2012) was 84%

6.2.4 Impact of Inflation

Figures presented over the 10-year forecast period are expressed in current year terms and have not been indexed to consider inflation.

6.3 Funding Strategy

The projected expenditure identified is to be funded from Council's operating and capital budgets. The funding strategy is detailed in Council's 10-year long term financial plan.

6.4 Key Assumptions made in Financial Forecasts

Key assumptions made in this asset management plan are:

- Roads upgrade capital works proposed are aligned with transport renewal works to bring roads into line with the future road network strategy.
- Renewals capital works proposed have an increasing investment (in current dollars) each year from years 1 to 10.
- Maintenance expenditure is expected to remain constant, however, there is likely to be some change in maintenance required following the roll out of upgrade/renewal works. Maintenance expenditure increased by an percentage of the upgrade/new works undertaken in the previous financial year.

7 ASSET CLASS RISKS AND IMPROVEMENT PLAN

7.1 Risk Management Plan

The following table lists the risks specific to this asset class and their current and proposed risk management controls. Refer to the Executive Level Asset Management Plan for risks that are applicable across all asset classes. These risks are described in alignment with Council's Enterprise Risk Management Policy and associated risk matrix as documented in Council's Asset Management Strategy.

Table 7.1 – Corporate Risk Management Plan

ITEM NO.	RISK	CAUSES	CURRENT CONTROLS	ADDITIONAL CONTROLS (TO BE RECORDED IN 'CURRENT CONTROLS' ONCE IMPLEMENTED)	RESIDUAL RISK RATING		
					LIKELIHOOD	CONSEQUENCE	RISK RATING
1	NDRRA funding may not be adequate for repair works or available after a time past the event.	Government financial health, extent, and frequency of natural disasters.	Robust reporting and photographic evidence maintained during and post all possible events to support any claim.	Development of contingency plans to prioritise expenditure in times of scarcity.	POSSIBLE-5	MAJOR - 16	HIGH - 21
2	Assets may potentially be unsafe for their intended function causing road accidents.	Poor condition. Inadequate road, bridge or culvert width.	Ongoing condition assessment program.	Develop Road network strategy to define the hierarchy classification to apply to each road within the network and then assess suitability of existing assets.	RARE - 1	CATASTROPHIC-21	HIGH - 22
3	Private property access is prevented.	Flooding events. Bridge faults / failures or Roadworks.	Management of flooding events and maintenance of drainage network. Bridge inspection program. Communication to landowners for upcoming roadworks.	Develop a register of high-risk properties impacted during seasonal weather events and communicate likely implications based on typical events.	POSSIBLE-5	MINOR - 6	MEDIUM - 11
4	Signs, guideposts, guardrails or other traffic control or roadside furniture degraded, damaged or missing.	Natural weather events, vandalism, accidental impact or other damage.	Regular inspection regimes in place with reporting and programmed repairs in reasonable timeframes.	Consider replacement of damaged items with more robust items that are fit for purpose.	POSSIBLE - 5	MINOR - 6	MEDIUM - 11
5	Reduced availability of raw materials or replacement assets e.g. signs or culverts.	Poor stock control. Unreliable suppliers.	Stock management systems in place.	Multiple or alternative sources of supply identified.	UNLIKELY - 3	MINOR - 6	LOW - 9
6	Concrete or bitumen footpaths may present unacceptable hazard to user.	Age-related deterioration, vehicular damage, root intrusion, slippery surface.	Routine inspection of network.	Priority-based inspection regime based on factors such as demand and location.	POSSIBLE-5	MODERATE - 11	MEDIUM - 16
7	Increased traffic loads accelerating network wear.	Increased heavy vehicle use servicing new industry.	Condition assessment of road network to determine deterioration trends. Traffic count data.	Forward planning of network upgrades based on regional investment and growth.	UNLIKELY-3	MODERATE - 11	MEDIUM - 14

Effective Date: 19/04/2018

PUBLIC Page 21 of 26

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7.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown below.

Table 7.2 – Improvement Plan

Task No	Task	Responsibility	Timeline
1.	Disaster recovery plans to incorporate road priorities in order to assist with planning reconstruction schedules and any desired resilience works.	Manager Technical Services Manager Operations	December 2019
2.	Following development of the Road network strategy, develop the schedule for road reconstructions and augmentation works to bring higher priority works into alignment with the strategy over the outlook period.	Manager Technical Services Manager Operations	December 2019
3.	Other corporate level improvements as listed in the Executive Level Asset Management Plan.	TBA	July 2019

7.3 Monitoring and Review Procedures

This asset management plan will be reviewed and refined during annual budget preparation and amended/updated to recognise any changes in service levels and/or resources available to provide services depending upon outcomes of the budget decision process.

8 SUPPORT / REFERENCE DOCUMENTS

The following describes the relevant documents that support the production of this asset management plan.

Please refer to the Executive Level Asset Management Plan, which describes the hierarchy of asset management related documents across Council.

8.1 Transport Levels of Service Manual

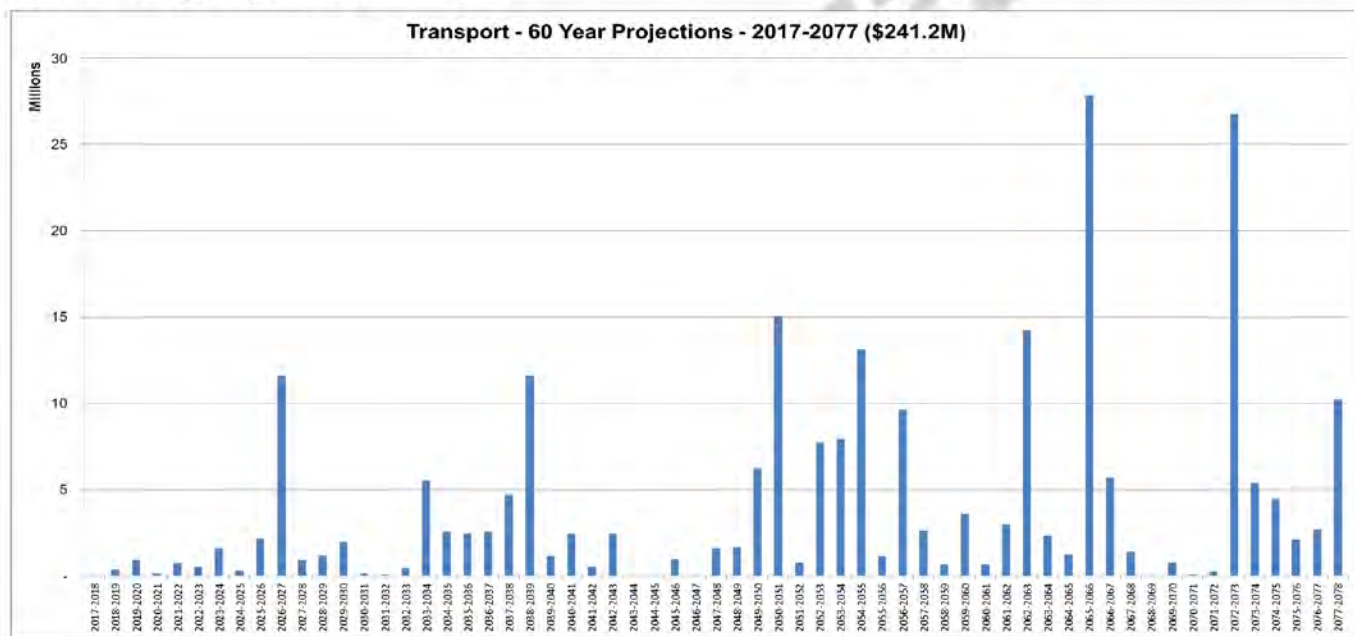
Describes the list of assets that make up this portfolio plus the desired response times to customer, and other, requests for work that vary depending on the priority rating applied to the asset or asset type.

9 APPENDICES

9.1 Appendix A Asset Register Derived Long Range Renewals Forecast

The following chart provides an indication of the potential renewals requirements beyond the 10-year outlook period covered by this asset management plan. Broad level conclusions can be drawn regarding the level of expenditure that may be required for future asset management plans. A table of the source treatments to be applied over 60-years appear on the pages following Figure 9.1.

Figure 9.1 – Long Range Asset Renewals Chart



Effective Date: 19/04/2018

PUBLIC Page 24 of 26

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9.2 Appendix B - 10-Year Forward Capital Works Projects by Year

The following table details the capital works projects as described in Council's capital bids spreadsheet that is divided into renewal and other project costs. Other costs generally align with augmentation or expansion type works.

Table 9.2 – LTFP Capital Project Listing

Fin Year	Description	Project Cost Renewal	Project Cost Other
2017/18	Ayr Industrial Estate Expansion Project - Roadworks		\$226,000
	Kerb & Channelling - Fourth Street	\$258,000	\$172,000
	Plantation Park - Sealing Roads and Car Park	\$99,000	\$66,000
	Replacement of Existing Footpaths	\$120,000	\$80,000
	Reseals	\$914,000	
	Roadworks	\$2,809,200	\$1,872,800
	Roundabout - Young and Macmillan Street	\$120,000	\$80,000
2018/19	Reseals	\$928,000	
	Roadworks	\$3,153,000	\$2,102,000
2019/20	Reseals	\$942,000	
	Roadworks	\$3,200,400	\$2,133,600
2020/21	Reseals	\$956,000	
	Roadworks	\$3,248,400	\$2,165,600
2021/22	Reseals	\$970,000	
	Roadworks	\$3,297,000	\$2,198,000
2022/23	Reseals	\$985,000	
	Roadworks	\$3,346,200	\$2,230,800
2023/24	Reseals	\$1,000,000	
	Roadworks	\$3,396,600	\$2,264,400
2024/25	Reseals	\$1,015,000	
	Roadworks	\$3,447,600	\$2,298,400
2025/26	Reseals	\$1,030,000	
	Roadworks	\$3,499,200	\$2,332,800
2026/27	Reseals	\$1,050,000	
	Roadworks	\$3,558,000	\$2,372,000
Grand Total		\$43,342,600	\$22,594,400

Water Asset Management Plan

April-2018



Document Control		Next full review – July 2020 (Financials reviewed annually)			
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V2.0	January 2017	Final Draft	RM/RN	KB/JM	
V2.1	March 2018	Updated Financials / Activities	RN	KB/AMG	

Adopted by Council on:	
Item No:	

Table of Contents

1	EXECUTIVE SUMMARY	5
1.1	Portfolio Description	5
1.2	Expenditure Forecast	5
1.3	Financial Performance Measures	6
1.4	The Next Steps	6
1.5	Plan Adoption Date	7
2	INTRODUCTION	8
2.1	Purpose	8
2.2	Overview of this Plan	8
2.3	Portfolio Description	8
2.3.1	Asset Summary	9
2.3.2	Condition Summary	11
3	FUTURE DEMAND	12
3.1	Demand Forecast	12
3.2	Demand Management Plan	12
4	LEVELS OF SERVICE	13
4.1	Community Research and Expectations	13
4.2	Community and Technical Levels of Service	13
4.3	Conclusions Drawn	13
5	LIFECYCLE MANAGEMENT STRATEGY	14
5.1	Renewal/Replacement Plan	14
5.1.1	Forward Capital Renewals Program	14
5.1.2	Analysis	15
5.2	Creation/Acquisition/Upgrade Plan	16
5.3	Maintenance Planning	16
5.3.1	Scheduled and Unscheduled Maintenance	16
5.3.2	Future Maintenance Expenditure	16
5.4	Disposal Plan	17
6	FINANCIAL SUMMARY	18
6.1	10-Year Water Long Term Financial Plan (LTFP) Expenditure Projections	18
6.2	Financial Performance Measures	19
6.2.1	Asset Sustainability Ratio	19
6.2.2	Asset Renewal Funding Ratio	19

6.2.3	Asset Consumption Ratio (ACR).....	19
6.2.4	Impact of Inflation	19
6.3	Funding Strategy	19
6.4	Key Assumptions made in Financial Forecasts	20
7	ASSET CLASS RISKS AND IMPROVEMENT PLAN	21
7.1	Risk Management Plan.....	21
7.2	Improvement Plan.....	22
7.3	Monitoring and Review Procedures	22
8	SUPPORT / REFERENCE DOCUMENTS	23
8.1	Water Supply Maintenance Levels of Service Manual.....	23
8.2	Statewide Water Information Management (SWIM) Annual Statistical Reporting	23
9	APPENDICES.....	24
9.1	Appendix A Asset Register Derived Long-Range Renewals Forecast.....	24
9.2	Appendix B Proposed 10 Year Forward Capital Works Projects	25

1 EXECUTIVE SUMMARY

1.1 Portfolio Description

Burdekin Shire Council provides potable water supply to the following townships - Alva, Ayr, Brandon, Giru, Home Hill and Mt Kelly.

Groundwater is extracted through a series of 35 boreholes, which undergoes chlorination before entering the water distribution system consisting of 299.5km of water pipelines.

Potable water is supplied to Giru by Townsville Water under a service agreement.

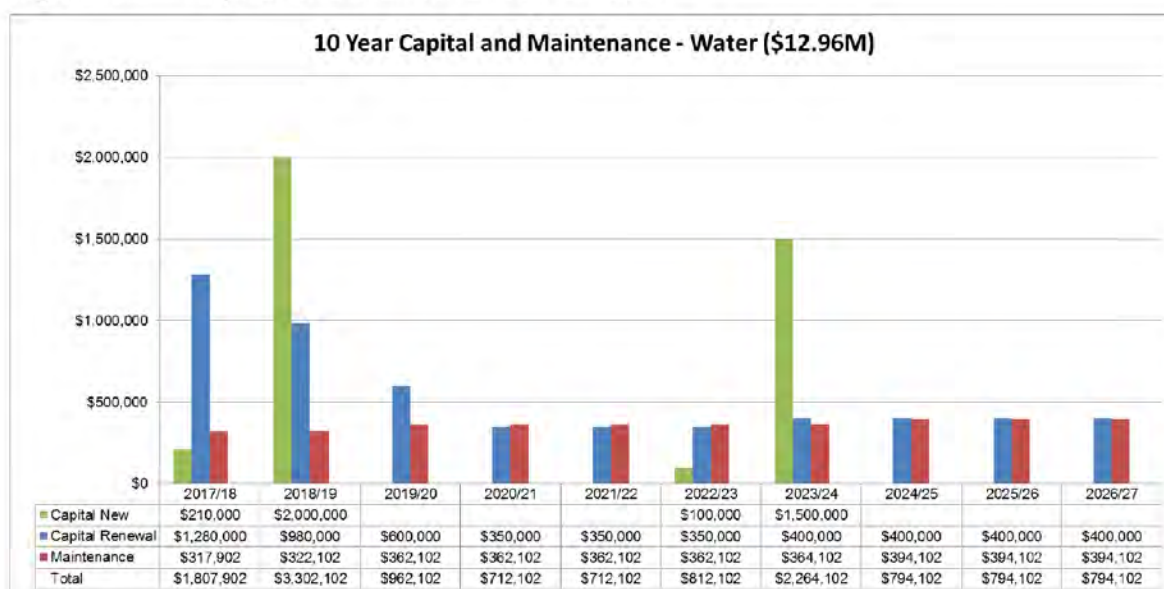
There are 9 water storages using both elevated and ground levels within this system.

The total replacement value of Council's water portfolio as provided in the financial asset register at 30 June 2017 was \$41.1M.

1.2 Expenditure Forecast

Figure 1.1 provides a summary-level view of Council's planned capital renewal, capital new, and maintenance expenditure over the forecast period.

Figure 1.1 Capital and Maintenance Forecast



Forecast maintenance expenditure includes an allowance for new capital works undertaken during the previous financial year.

Capital new expenditure is primarily to address iron and manganese levels in raw water and sedimentation/filtration/aeration projects as per the following examples:

- 2018-19 (\$2M) Sedimentation/Filtration/Aeration South Ayr - Construction
- 2023-24 (\$1.5M) Sutcliffe Estate area construction

Key comparison figures reviewed against the planned capital renewals expenditure are as follows:

Planned Capital renewals over the next ten years.	\$5,510,000
The cumulative annual depreciation over the forecast period.	\$5,790,385
The forecast expenditure generated from the asset register data (remaining life based).	\$1,236,190

1.3 Financial Performance Measures

The following financial performance measures are based on adopting the long term financial plan (LTFP) budget.

Table 1.2 Financial Performance Measures

Performance Measure	This Plan	Previous Plan (2012)
Asset Sustainability Ratio	95.2%	122.8%
Future Renewal Funding Ratio	445.7%	73.9%
Asset Consumption Ratio	53.5%	53.4%

Local Government Regulation 2012 Chapter 5 - Financial planning and accountability [Section 169] provides key indicators to determine how well a Local Government manages infrastructure assets.

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period).

Planned capital expenditure is 95.2% of depreciation over the forecast period. As such, the planned renewals are keeping pace with depreciation. This indicates the overall lifecycle position of the portfolio is anticipated to be sustained over the forecast period and hence, is responsible asset management.

Appendix A provides a chart showing 50-year long-term renewals forecast generated by modelling software. The financial asset register shows that over the next 10 years \$1.2M in renewals is anticipated, and over the next 20 years, \$3.3M is anticipated. This information excludes elevated water storage towers at Ayr and Home Hill, which will both undergo a detailed structural engineering assessment to determine revised remaining useful life.

The planned capital works figures indicate Council is aiming to sustain a level of renewal investment that targets alignment with annual depreciation, to avoid more significant investment peaks in later years as ageing pipeline networks become due for renewal.

1.4 The Next Steps

The key actions and improvements resulting from this asset management plan are:

- Continue refurbishments works of Elevated Water Towers in Ayr and Home Hill, including stair upgrades and replacement of aerators to extend overall service life of Towers.
- Schedule inspection of Ayr and Home Hill Water Towers by Structural Engineer to determine remaining useful life of Towers.

- Implement risk reduction or management strategy to address identified high-risk plant that has the potential to affect continuity of water supply or quality of water provided.
- Develop and implement a pipeline condition monitoring and replacement program.
- Implement a water leakage investigation program.
- Prepare contingency plans for critical infrastructure.
- Undertake a strategic review of the water supply strategy to ensure service delivery KPI's shall be sustained.

1.5 Plan Adoption Date

This Asset Management Plan was formally adopted by Burdekin Shire Council on (TBA).

2 INTRODUCTION

2.1 Purpose

This asset management plan defines Burdekin Shire Council's strategy for the responsible management of its water supply assets in a manner that is compliant with regulatory requirements and is sustainable within available resources. This plan will also be used to communicate any need for additional funding in order to provide the required levels of service.

This plan should be read in conjunction with Council's Executive Level Asset Management Plan which contains a number of sections describing Council's approach to asset management that is common across all asset management plans.

2.2 Overview of this Plan

This plan focuses on providing the following key information to assist long term planning for infrastructure and property assets to support and sustain service standards:

- Portfolio Description – provides an understanding of the current asset base used to deliver services to the community.
- Future Demand – provides an understanding of the current and future changes in demand over the forecast period to allow for the inclusion in financial planning for any growth-related capital works.
- Levels of service and performance – provides the strategic level asset performance targets and current performance to drive required capital or maintenance intervention works.
- Financial Forecasts and Sustainability Measures – provides forecast for both unrestricted and restricted budgets and their resulting impacts and implications regarding the long term sustainability of services standards.
- Asset Management Improvements – provides a listing of known risks, key action items and improvements proposed to enable future versions of this plan to improve accuracy or confidence in the forecasts made.

As mentioned above this plan should be read in conjunction with Council's Executive Level Asset Management Plan.

2.3 Portfolio Description

Burdekin Shire Council provide potable water supply to the following townships - Alva, Ayr, Brandon, Giru, Home Hill and Mt Kelly in four (4) systems

Groundwater is extracted through a series of 35 boreholes, which undergoes chlorination before entering the water distribution system consisting of 299.5km of water pipelines.

Potable water is supplied to Giru by Townsville Water under a service agreement.

There are 9 water storages located at elevated and at ground levels within these systems.

The total replacement value of Council's water portfolio as provided in the financial asset register at 30 June 2017 was \$41.12M.

Table 2.1 provides a summary of Council's water assets on the following page.

2.3.1 Asset Summary

Table 2.1 Asset Summary

Water Components	Group	Current Replacement Cost	Current Units
Bores	Borehole	\$644,883	35
	Motor	\$421,214	31
	Pump (above ground)	\$575,222	32
	Submersible Pump	\$55,276	3
Bores Total		\$1,696,594	101
Buildings	Building-Other	\$13,081	1
	External Services	\$24,924	15
	Finishes/Fit-Outs	\$21,378	15
	Fittings	\$71,809	15
	Roof Sheetting	\$19,232	15
	Roof Structure	\$44,874	15
	Services (Elec & Mech)	\$80,238	15
	Substructure	\$79,806	15
	Superstructure	\$331,062	16
Buildings Total		\$686,404	122
Disinfection	Chlorinator (Liquid)	\$67,131	11
	Monitoring	\$9,420	2
Disinfection Total		\$76,551	13
Flowmeter	Flowmeter	\$108,787	9
Flowmeter Total		\$108,787	9
General	Access Rd & hardstand	\$20,667	1
	Civil Works	\$164,091	8
	Emergency Generator	\$15,159	1
	Fencing	\$63,019	3
	Pipework & Valve	\$870,682	15
General Total		\$1,133,618	28
High Lift Pumps	Pump	\$156,821	7
High Lift Pumps Total		\$156,821	7
Mains	Delivery	\$28,995,578	289,442
	Distribution	\$673,992	10,131
	Filling Station	\$21,324	2
	Scour injection/extraction point	\$184,982	6
Mains Total		\$29,875,875	299,582
Pump Sets	Pump Set	\$433,473	3
Pump Sets Total		\$433,473	3
Storage	Elevated Reservoir	\$3,198,129	3
	Low Level Reservoir	\$692,041	4
	Low Level Reservoir - Liner	\$55,597	1
	Low Level Reservoir - 80 Yr Life	\$602,170	1

Water Components	Group	Current Replacement Cost	Current Units
	Low Level Reservoir - 60 Yr Life	\$769,439	1
	Low Level Reservoir - Roof	\$27,761	1
Storage Total		\$5,345,137	11
Switchboard & Electrical	Switchboard & Electrical	\$1,221,721	21
Switchboard & Electrical Total		\$1,221,721	21
Telemetry	Base Repeater	\$29,800	1
	Station	\$209,067	13
Telemetry Total		\$238,867	14
Treatment	Aerator	\$153,338	7
Treatment Total		\$153,338	7
Grand Total		\$41,127,185	299,918

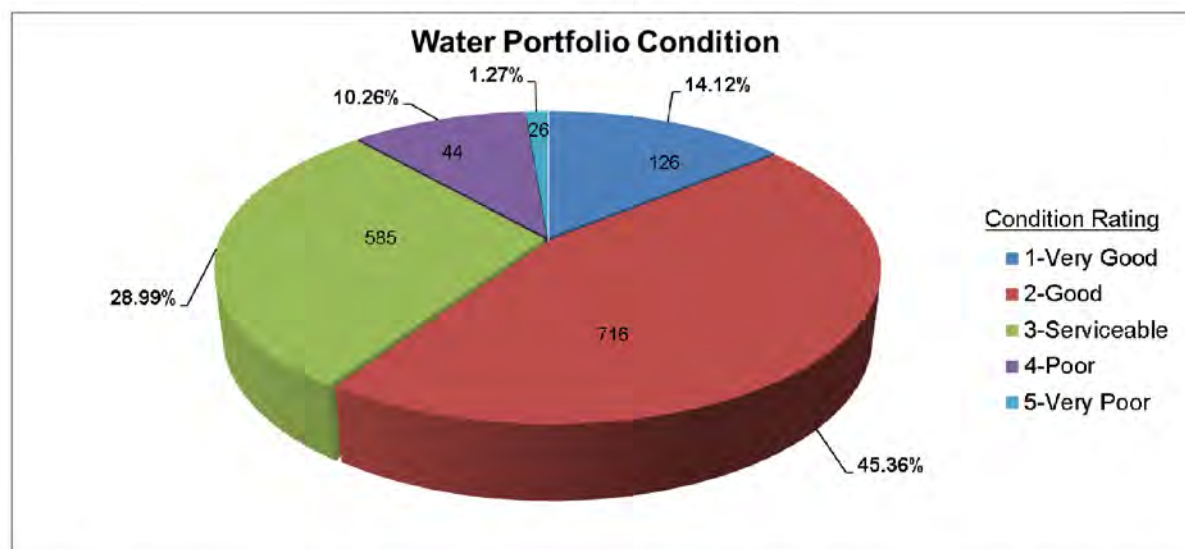
2.3.2 Condition Summary

The following table and chart provide an overall view of the condition profile for the water portfolio by value.

Table 2.2 Condition Summary

Condition Rating	Condition Value	No of Assets	Total Replacement Cost
1-Very Good	\$5,808,061	126	\$5,808,061
2-Good	\$18,656,132	716	\$18,656,132
3-Serviceable	\$11,921,995	585	\$11,921,995
4-Poor	\$4,218,534	44	\$4,218,534
5-Very Poor	\$522,463	26	\$522,463
Grand Total	\$41,127,185	1,497	\$41,127,185

Figure 2.3 Condition Pie Chart



Assets in condition 5 are considered in very poor condition and likely to be scheduled for refurbishment or renewal within the next three years. Assets in condition 4 are approaching the end of their service life and may require refurbishment or renewal within the 10-year forecast period.

As can be seen from the table and chart above, Council has 1.27% of its portfolio (\$0.52M) in condition 5. These are primarily boreholes, pumps and motors reaching the end of their service life.

One of Council's key service standards is to maintain the portfolio's overall condition index (OCI) in a condition state of 3.0 or better.

The current OCI of 2.42 is hence still above the target minimum of 3.0.

3 FUTURE DEMAND

3.1 Demand Forecast

The future demand for services is derived from Council's Priority Infrastructure Plan, soon to be updated to the Local Government Infrastructure Plan as per the Sustainability Planning Act 2009.

The Executive Level Asset Management Plan describes the growth forecast for Burdekin Shire Council and results indicate little to no growth anticipated over the forecast period.

3.2 Demand Management Plan

Council is planning to develop a Demand Management Plan by June 2020.

4 LEVELS OF SERVICE

Council has developed Customer Service Standards and relevant targets for both Water Supply and Sewerage services which comply with the requirements of the Water Supply (Safety and Reliability) Act 2008. These standards define the service levels Council provides to its customers and are defined in Council's "Customer Service Standard, Water and Wastewater" (April 2015).

The standards generally address the following criteria,

- Water Quality
- Reliability
- Asset performance and condition
- Customer Satisfaction
- Maintenance

4.1 Community Research and Expectations

Investigations to date regarding community expectations and satisfaction levels have been directed towards Council's overall performance rather than performance for this particular asset portfolio.

4.2 Community and Technical Levels of Service

Community levels of service relate to how the community (or users) receive the service in terms of safety, quality, quantity, reliability, accessibility and responsiveness to requests.

4.3 Conclusions Drawn

Overall the performance measures able to be reported against are performing above expectation.

Water main breaks per 100km is above minimum standard, due to system pressure increases in the Ayr/Brandon scheme to meet higher fire flow requirements. Water mains renewals and a leak detection program are required in order to address this performance measure.

They are planned and will commence during the 2018/19 financial year. This will also address the issue of high water losses in the Ayr/Brandon scheme. It is considered likely pressure increases have caused an increase in failures of hidden infrastructure, as well as increased losses at each point of failure. In conjunction with a mains replacement program, Council will commence a leak detection program in the coming financial years.

5 LIFECYCLE MANAGEMENT STRATEGY

The lifecycle management plan details how Council plans to manage and maintain its assets at the agreed levels of condition and service whilst optimising life cycle costs. Council's Asset Management Strategy provides further details on the processes and systems employed to develop this asset class plan.

5.1 Renewal/Replacement Plan

Council maintains an asset register of all production, distribution and treatment assets. Assets are typically broken down into component parts for valuation and renewals planning such as:

- Mains – typically individual assets are mains between intersections with other mains and valves, and where diameter and material types change. (While not recorded in the asset register, valves and hydrants are identified separately in GIS).
- Bores – typically divided into boreholes, pumps and motors.
- Switchboards – one asset per switchboard site.
- Storages – typically identified as individual storage assets.
- Treatment - typically identified as aeration or chlorinator assets.
- Other assets including buildings, site works and telemetry.

Each component asset is revalued periodically by external valuers for observable assets, including buildings. Council conducts valuations for remaining water assets, based upon first principles and condition scores that are obtained for observable assets by physical inspections.

Depending upon movement in asset cost indices and materiality thresholds, revaluations will occur for the asset class from time to time. Updated indices data is sourced from suppliers, valuers, and other Councils.

This data is updated into the asset register and then fed into modelling software to generate a draft list of renewal works for the forecast period. The forecast model projects the year each component asset will reach condition score 5 (end of life) in defining the draft renewals forecast.

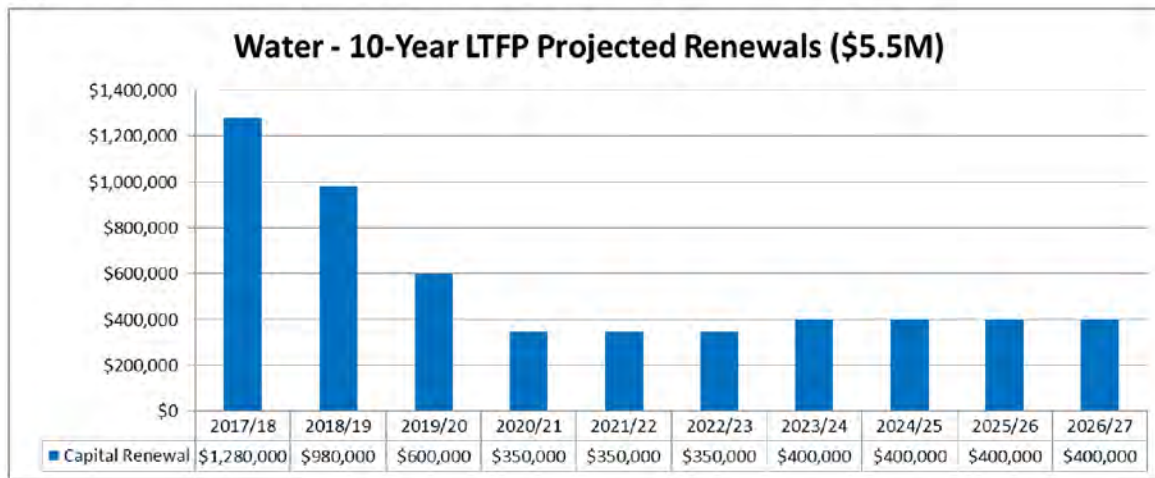
This forecast is provided to the relevant asset manager to assess and make decisions on what projects to be included in the capital bids submission.

5.1.1 Forward Capital Renewals Program

Figure 5.1 and Appendix B presents the Long Term Financial Plan (LTFP) capital renewal projects.

Renewal investments vary from year to year but total \$5.5M over the 10 year forecast period.

Figure 5.1 – Water Capital Renewals Chart



5.1.2 Analysis

The current expenditure projection for renewal of water infrastructure is \$5.51M over the next 10 years. This places Council in a sound asset management position to sustain the water portfolio in an overall condition above 3.0.

5.2 Creation/Acquisition/Upgrade Plan

The following projects have been identified in Council's 10-year Long Term Financial Plan.

Table 5.4 –Capital Upgrades

Fin Year	Description	Project Cost Other
2017-18	Ayr Industrial Estate Expansion Project - Water	\$25,000
	Fire Pressure Upgrade Airdmillan Road	\$85,000
	Sedimentation/Filtration/Aeration South Ayr - Detailed Design	\$100,000
2018-19	Sedimentation/Filtration/Aeration South Ayr - Construction	\$2,000,000
2022-23	Water Augmentation - Sutcliffe Estate Area Design	\$100,000
2023-24	Water Augmentation - Sutcliffe Estate Area Construction	\$1,500,000
Grand Total		\$3,810,000

5.3 Maintenance Planning

Maintenance is the regular on-going work that is necessary to keep assets operating within its normal serviceable physical condition, including instances where rectification works are required to restore the asset back to an acceptable useable standard.

5.3.1 Scheduled and Unscheduled Maintenance

Council's response to maintenance on water infrastructure is defined in Council's Water Supply Maintenance Levels of Service Manual. Within this manual are details of the prioritisation process used to determine the importance of each water asset and hence, associated response time to work requests for particular event types.

The majority of Council's maintenance expenditure is for unscheduled maintenance activities carried-out in response to service requests, condition audits and management/supervisory directions.

Council does not, at present, budget or report separately on scheduled and unscheduled maintenance. However, the implementation of TechnologyOne's works and asset management system will provide the ability to develop this functionality.

5.3.2 Future Maintenance Expenditure

The growth related-capital as described above will have an impact on maintenance budgets over the forecast period, therefore each forecast year has included an allowance for new capital works undertaken during the previous financial year.

The scheduled maintenance budget presented in the following table is estimated to be 20% of the overall maintenance budget.

Figure 5.5 – Maintenance Expenditure Table

Fin Year	Scheduled Maintenance	Unscheduled Maintenance	Total
2017/18	\$63,580	\$254,322	\$317,902
2018/19	\$64,420	\$257,682	\$322,102
2019/20	\$72,420	\$289,682	\$362,102
2020/21	\$72,420	\$289,682	\$362,102
2021/22	\$72,420	\$289,682	\$362,102
2022/23	\$72,420	\$289,682	\$362,102
2023/24	\$72,820	\$291,282	\$364,102
2024/25	\$78,820	\$315,282	\$394,102
2025/26	\$78,820	\$315,282	\$394,102
2026/27	\$78,820	\$315,282	\$394,102
Total	\$726,960	\$2,907,860	\$3,634,820

5.4 Disposal Plan

Disposal includes any activity associated with disposal of or decommissioning an asset including sale, demolition or relocation.

Currently, no water assets are under consideration for disposal.

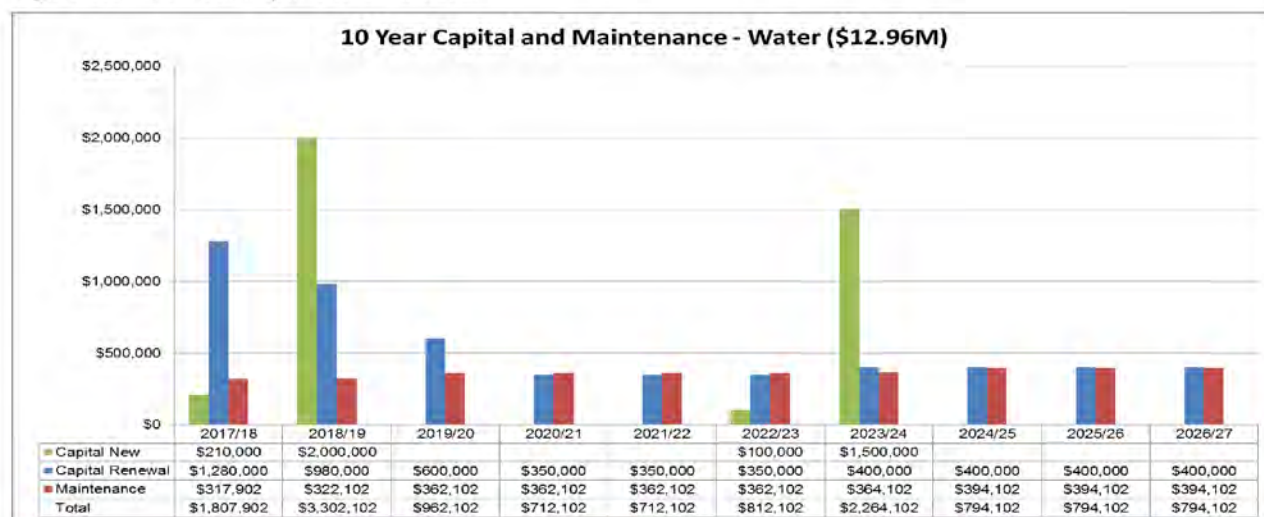
6 FINANCIAL SUMMARY

This section contains the financial requirements resulting from all the information presented in the previous sections of this asset management plan. The financial projections will be improved as further information becomes available on desired levels of service and current and projected future asset performance.

6.1 10-Year Water Long Term Financial Plan (LTFP) Expenditure Projections

The following figure identifies the estimated maintenance and capital expenditure required to provide an agreed level of service to the community over the 10 year forecast period.

Figure 6.1 10 Year Expenditure Forecast



Effective Date: 29/03/2018

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Page 18 of 26

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6.2 Financial Performance Measures

This section reports on the financial sustainability of the proposed forward capital works program.

Refer to the Executive Level Asset Management Plan for detailed description of each performance measure.

Council's projected depreciation expense for FY 2017/18 is \$548,300.

6.2.1 Asset Sustainability Ratio

Asset sustainability ratio – is capital renewal expenditure divided by the depreciation expense, expressed as a percentage.

Asset Sustainability Ratio = \$551,000 / \$579,039 (Avg over 10 years) = 95.2%

Previous Asset Management Plan performance (2012) was 122.75%

The current target for the Asset Sustainability Ratio as per the Financial Management (Sustainability) Guideline 2013 is 90% (on average over a ten year period).

Significant renewal investment proposed for the 2017/18 financial year will yield an asset sustainability ratio of 95.2%, which is more than the recommended minimum. Installation of variable speed drives and switchboard at South Ayr water treatment plant are significant individual projects and will alone exceed the recommended minimum.

6.2.2 Asset Renewal Funding Ratio

Net present value (NPV) is planned capital expenditure over the planning period is divided by the NPV of the required capital expenditure over the same period within this asset management plan.

Future Renewal Funding Ratio = \$5,510,000 / \$ 1,236,190 = 446%

Previous Asset Management Plan performance (2012) was 73.93%

The long term planned renewal investment is well above the financial register modelling expenditure forecast, which is a sound projection to sustain overall average condition and performance of the portfolio; and potentially, cater for any major refurbishment works at the two water tower sites at Ayr and Home Hill.

6.2.3 Asset Consumption Ratio (ACR)

Depreciated replacement cost (DRC) divided by the current replacement cost (CRC), expressed as a percentage.

Asset Consumption Ratio = \$22,006,287 / \$41,127,185 = 53.5%

Previous Asset Management Plan performance (2012) was 53.4%

Council's investment in water infrastructure since the previous asset management plan has been sufficient to sustain the overall written-down value of the portfolio with previous levels.

6.2.4 Impact of Inflation

Figures presented over the 10 year forecast period are expressed in current year terms and have not been indexed to consider inflation.

6.3 Funding Strategy

The projected expenditure identified is to be funded from Council's operating and capital budgets. The funding strategy is detailed in Council's 10-year long-term financial plan.

Capital projects beyond the next financial year are prefaced on receiving state or federal grants to combine with Council's own funding for the works to proceed.

6.4 Key Assumptions made in Financial Forecasts

This section details the key assumptions made in presenting the information contained in this asset management plan and in preparing forecasts of required operating and capital expenditure. It is presented to enable readers to gain an understanding of the levels of confidence in the data behind the financial forecasts.

Key assumptions made in this asset management plan are:

- Renewal capital works average \$551,000 per year over the forecast period. Years 1-3 have specific projects that provide \$1.2M, \$980k and \$600k respectively.

7 ASSET CLASS RISKS AND IMPROVEMENT PLAN

7.1 Risk Management Plan

The following table lists the risks specific to this asset class and their current and proposed risk management controls. Refer to the Executive Level Asset Management Plan for risks that are applicable across all asset classes. These risks are described in alignment with Council's Enterprise Risk Management Policy and associated risk matrix as documented in Council's Asset Management Strategy.

Figure 7.1 – Corporate Risk Management Plan

					RESIDUAL RISK RATING		
ITEM NO.	RISK	CAUSES	CURRENT CONTROLS	ADDITIONAL CONTROLS (TO BE RECORDED IN 'CURRENT CONTROLS' ONCE IMPLEMENTED)	LIKELIHOOD	CONSEQUENCE	RISK RATING
1	Burst water mains.	Age related causes. Limited knowledge of asset condition. Increased pressure from recent upgrades.	Proactive condition monitoring during routine interventions and repairs. Investigations undertaken into residual life for AC mains reflected in asset forecasts.	Pipe replacement program prepared based on location-based failure data and network age profiles.	LIKELY – 7	MINOR - 6	MEDIUM - 13
2	Failure of elevated water towers at Ayr and Home Hill.	Age-related issues.	Condition and performance monitoring.	Detailed investigations into optimal renewal or refurbishment plans for the two elevated water towers and likely timing for works.	UNLIKELY - 3	MAJOR - 16	MEDIUM - 19
3	Water leakage from reticulated network.	Damaged pipes and fittings.	Limited controls in place.	Water leakage testing program to be implemented.	ALMOST CERTAIN - 9	MINOR - 6	MEDIUM - 15
4	Limited supply of bulk water from bores and/or Townsville Water.	Damage to supply network. Drought conditions limiting available supply. Quality issues from underground water supply.	Water conservation public awareness program. Testing for new suitable bore sites.	Prepare contingency plans for water supply disruption.	UNLIKELY - 3	MINOR - 6	LOW - 9
5	Water supply plant and equipment failures.	Equipment age and condition.	Monitoring and maintenance regimes. Programmed plant replacement.	Contingency plans for major failures and supply disruptions.	POSSIBLE - 5	MODERATE - 11	MEDIUM - 16
6	Non-compliance with statutory performance requirements e.g. water quality, failure response times.	Ineffective business systems and operational processes. Supply-related problems.	Monitoring and reporting of relevant KPIs. Drinking Water Quality Management Plan reviewed regularly and revised accordingly.	Strategic review of water supply network.	UNLIKELY - 3	MODERATE - 11	MEDIUM - 14

Effective Date: 19/04/2018

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Page 21 of 26

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7.2 Improvement Plan

The asset management improvement plan generated from this asset management plan is shown below.

Table 7.2 – Improvement Plan

Task No	Task	Responsibility	Timeline
1	Develop and implement a water leakage investigation program.	Manager Technical Services Manager Water & Wastewater	July 2019
2	Develop a proactive pipeline condition monitoring and replacement program.	Manager Technical Services	April 2020
3.	Conduct structural assessment of Ayr and Home Hill Water Towers to determine estimated remaining life.	Manager Technical Services	June 2020
4	Develop a Demand Management Strategy.	Manager Technical Services	June 2020
5	Implement the Demand Management Strategy.	Manager Water and Wastewater	August 2020
6.	Preparation of contingency procedures for critical infrastructure.	Manager Operations Manager Technical Services Manager Water & Wastewater	August 2020

7.3 Monitoring and Review Procedures

This asset management plan will be reviewed and refined during annual budget preparation and amended/updated to recognise any changes in service levels and/or resources available to provide those services as a result of the budget decision process.

8 SUPPORT / REFERENCE DOCUMENTS

The following describes the relevant documents that support the production of this asset management plan.

Please refer to the Executive Level Asset Management Plan which describes the hierarchy of asset management related documents across Council.

8.1 Water Supply Maintenance Levels of Service Manual

Describes the list of assets that make up this portfolio and includes the desired response times for customers, and other requests for work that vary depending on the priority rating applied to the asset.

8.2 Statewide Water Information Management (SWIM) Annual Statistical Reporting

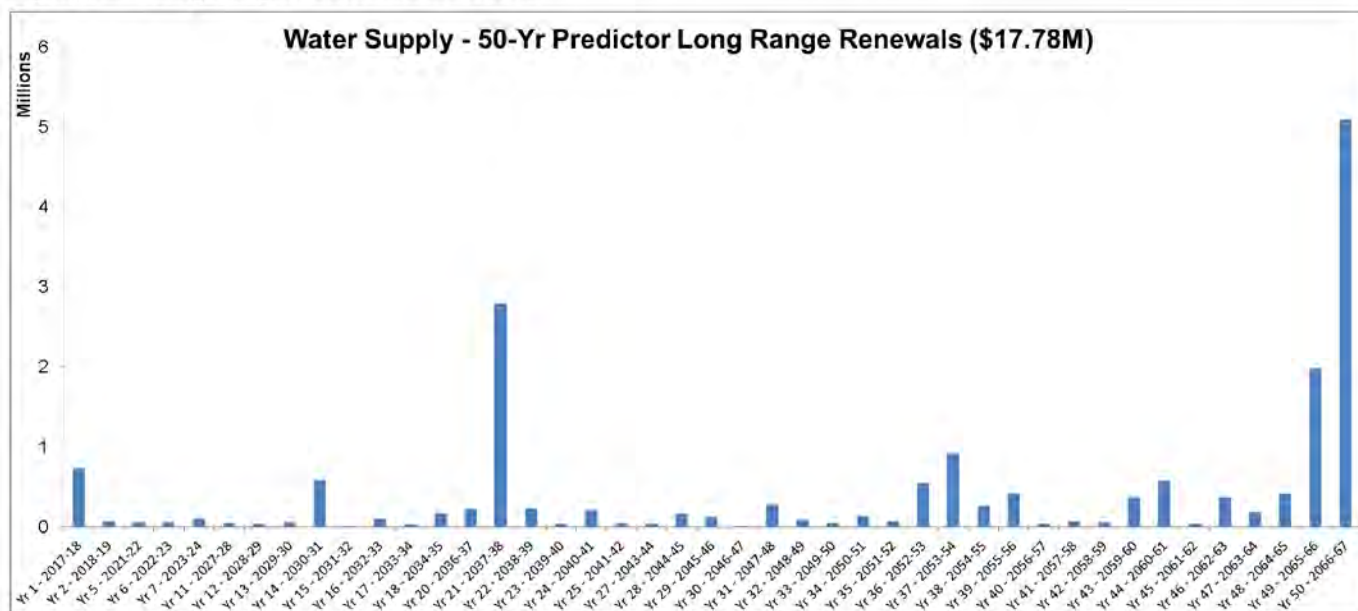
Data provided to the Queensland Water Directorate annually provides a comprehensive set of operational and performance data suitable for use in this plan.

9 APPENDICES

9.1 Appendix A Asset Register Derived Long-Range Renewals Forecast

The following chart provides an indication of the potential renewal requirements beyond the 10-year forecast period. Broad level conclusions can be drawn regarding the level of expenditure that may be required for future asset management plans.

Figure 9.1 – Long Range Asset Renewals Chart



Effective Date: 19/04/2018

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Page 24 of 26

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9.2 Appendix B Proposed 10 Year Forward Capital Works Projects

The following table details the capital works projects as described in Council's capital bids spreadsheet showing the split between renewal and other costs. Other costs include capital upgrades and new capital work.

Table 9.2 – Capital Bids Project Listing

Fin Year	Description	Project Cost Renewals	Project Cost Other	Total Project Cost
2017-18	Ayr Industrial Estate Expansion Project - Water		\$25,000	\$25,000
	Ayr Water Tower - Replace Internal Ladders	\$180,000		\$180,000
	Fire Pressure Upgrade Airdmillan Road		\$85,000	\$85,000
	Giru Water Tower Replace Low Level Tanks	\$325,000		\$325,000
	Giru Water Tower Structural Refurbish High Level Tank	\$175,000		\$175,000
	Replace 1350 Metres Mt Kelly Water Rising Main	\$300,000		\$300,000
	Sedimentation/Filtration/Aeration South Ayr - Detailed Design		\$100,000	\$100,000
	Water Supply Replacement/Refurbishment of Assets	\$300,000		\$300,000
2018-19	Home Hill Water Tower Switchboard Replacement	\$380,000		\$380,000
	Replace 1350 Metres Mt Kelly Water Rising Main	\$300,000		\$300,000
	Sedimentation/Filtration/Aeration South Ayr - Construction		\$2,000,000	\$2,000,000
	Water Supply Replacement/Refurbishment of Assets	\$300,000		\$300,000
2019-20	Replace 1350 Metres Mt Kelly Water Rising Main	\$300,000		\$300,000
	Water Supply Replacement/Refurbishment of Assets	\$300,000		\$300,000
2020-21	Water Supply Replacement/Refurbishment of Assets	\$350,000		\$350,000
2021-22	Water Supply Replacement/Refurbishment of Assets	\$350,000		\$350,000
2022-23	Water Augmentation - Sutcliffe Estate Area Design		\$100,000	\$100,000
	Water Supply Replacement/Refurbishment	\$350,000		\$350,000
2023-24	Water Augmentation - Sutcliffe Estate Area Construction		\$1,500,000	\$1,500,000
	Water Supply Replacement/Refurbishment	\$400,000		\$400,000
2024-25	Water Supply Replacement/Refurbishment	\$400,000		\$400,000
2025-26	Water Supply Replacement/Refurbishment	\$400,000		\$400,000
2026-27	Water Supply Replacement/Refurbishment	\$400,000		\$400,000
Grand Total		\$5,510,000	\$3,810,000	\$9,320,000

11 PLANNING & DEVELOPMENT

12 COMMUNITY DEVELOPMENT

13 ECONOMIC DEVELOPMENT

14 NOTICES OF MOTION

15 CORRESPONDENCE FOR INFORMATION

Tabled Separately

16 GENERAL BUSINESS

17 CLOSED MEETING ITEMS

- Renewal of Trustee Lease – Millaroo Airstrip
- Report on QBSC/18/008 – Ayr Aerodrome Fuel Facility

18 DELEGATIONS

