



Naracoorte Lucindale Council

*Better by Nature*

# Infrastructure and Asset Management Plan

## 2017/18 – 2026/27



*The Best place in regional South Australia to live, work,  
do business, raise a family and retire.*

*Created by having a Prosperous Community with Healthy Landscapes,  
Liveable Neighbourhoods and a focus on Harmony and Culture*

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## *The Naracoorte Lucindale Story*

The Naracoorte Lucindale Council is located at the heart of the Limestone Coast region. The Council is approximately 300 kilometres from Adelaide and 450 kilometres from Melbourne. Naracoorte is the main service centre for the Council district, which also contains the smaller communities of Lucindale, Hynam, Kybybolite and Frances.

Settlement began in the 1840s.

The Naracoorte town layout is a result of its beginning as two separate towns. Prior to European settlement, several groups of Indigenous peoples occupied the region, with the Meintangk most closely aligned to our district.

The district is characterised by reliable rainfall and contains prime agricultural land and accessible underground water. It is home to a thriving and vibrant rural economy; featuring beef and dairy cattle, sheep for both wool and meat, and cereal growing.



Two large enterprises; Teyes

Australia Meat Processing Facility and Mini Jumbuk wool manufacturing centre value add to the primary produce with large grain storage facilities supporting the cereal growing industry. Naracoorte Lucindale Council is central to some of Australia's best wine producing areas with parts of both the Wrattenbully and Padthaway wine regions within the district.

There is a strong tourism industry in the Council area supported by the Visitor Information Centre in Naracoorte. South Australia's only World Heritage site, Naracoorte Caves and Bool Lagoon Game Reserve, a wetland of international importance, are the district's two best known natural features. Several more conservation parks and reserves are home to abundant wildlife. Other attractions in the area include the Sheep's Back Museum, Mini Jumbuk Centre, Cockatoo Lake, Limestone Coast Cheese Factory, Naracoorte Golf Club, Lucindale Country Club and the Naracoorte Swimming Lake.

The official population count from the 2016 Census is 8291, with 52% males and 48% females. This was a small decline from the 2011 Census. Since the 2011 Census, there has been an increase in migrants settling in Naracoorte, reflected by the decrease in Australian born residents from 85% to 80.4% with 8.6% from non-English speaking backgrounds. Employment levels remain high at over 96% of the labour force. Of these 58.3%, a decrease from 64% in 2011, are working fulltime.

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## Strategic Plans

Naracoorte Lucindale Council's high level strategic documents include the Strategic Management Plan 2016-2026, Infrastructure and Asset Management Plan and Long Term Financial Plan.

The Strategic Plan is the key document guiding the direction of Council. It is structured so that Council's decision making can be informed by the outcomes and actions set in the Strategic Plan.

Council's Strategic Management Plan provides a vision for the Naracoorte Lucindale community.

**By 2026 NLC will be:**

*The best place in regional South Australia to live, work, do business, raise a family and retire.*

*Created by having a **Prosperous Community** with **Healthy Landscapes, Liveable Neighbourhoods** and a focus on **Harmony and Culture***

**An organisation known for:**

**Progressive Leadership** with strong community connections, efficiently managing our shared assets, services and natural resources.

Council's **VISION** will be reached by achieving a number of **Themes** (principal goals), **Outcomes** (specific results), **Actions** and **Targets**.

The purpose of Council's Infrastructure & Asset Management Plan (IAMP) is to ensure Council maintains and renews its existing assets in a financially sustainable manner and plans for the known future.

Due to the nature of Local Government and the high level of long-lived assets that Council is responsible for, Council's Infrastructure and Asset Management Plan is integral to the development of a robust Long Term Financial Plan (LTFP).

Council's infrastructure and asset management plan aims to predict infrastructure consumption and renewal needs, as well as considering new infrastructure to meet the future service needs and desires of our community. The results generated by this plan are very dependent on the accuracy of data (eg. road condition, length, material, etc) and assumptions made (eg. useful lives and residual values). Due to the amount of data involved, it makes the analysis and verification of this data a complex process. As Council's infrastructure and asset management plan matures, so will the LTFP.

Council's Infrastructure & Asset Management Plan is not set in stone, but is a live document and will be reviewed and updated on an annual basis as data is validated and improved, community needs change and the availability of funding opportunities. The purpose of this document is to provide a broad long term view of the costs associated with managing current assets and development of new assets.

## Legislative Requirements

The Local Government Act, Section 122 (1a) (b) states that a Council must adopt an infrastructure and asset management plan, relating to the management and development of infrastructure and major assets by the Council for a period of at least 10 years.

Section 122 (1b) states that the financial projects in a LTFP adopted by Council must be consistent with those in the IAMP adopted by the Council.

Section 122(4) (b) states that in any event, Council must undertake a comprehensive review of its strategic management plans (which includes the IAMP) within 2 years after each general election of the Council.

## Service Levels

Service levels will be reviewed over time and maintained, increased or reduced as appropriate.

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Desired levels of service are determined from customer requests and feedback from Councillors and staff. In the future consultation with identified stakeholders will be undertaken to assist in the determination of sustainable service levels.

## Risk Management

An Organisational Risk Register has been developed and is reviewed biannually by Council's Executive Management Team.

Council's Audit Committee's Works Program includes the task of monitoring "*whether an assessment has been undertaken to identify Council's risk exposure and actions established to minimize their likelihood and effect*". The Committee's annual review of this task includes a review of the Organisational Risk Register. The Committee's review is presented to Council for endorsement.

The Register achieves the following: -

- Identifies risks, including risks created by and to Council infrastructure
- Identifies existing controls
- Assesses the consequences and likelihood and assigns a risk level/rating
- Includes new controls and actions to be introduced
- Assesses the residual risk
- Assigns responsibility

## Financial Sustainability

Financial Sustainability is defined as:

*"A Council's long term financial performance and position is sustainable where planned long term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services."*

Council's target is an asset renewal funding ratio of between 90% and 110% over any five (5) year period. It should be noted that this ratio includes all assets, not just those included in this IAMP, for example, plant & machinery.

Council's forecast ratio for 2017-18 and 2018-19 is 120% and 134% respectively.

The asset renewal funding ratio measures the extent to which assets are being replaced/renewed as they wear out. If Council achieves a ratio of 100% it means that it is performing well and renewing its assets at a sustainable level. If the ratio is consistently below 90% it means that assets are wearing out and not being renewed within the identified optimum timeframe. This would create a backlog of asset renewals and potentially have financial impacts on future generations.

The ratio is calculated by dividing actual expenditure on asset replacement/renewal by forecast expenditure in the asset management plan or actual depreciation.

Under spending on renewal and replacement over the medium to long term is likely to adversely impact on the achievement of preferred, affordable service levels and could potentially undermine Council's financial sustainability.

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## Key Assumptions and Basis for Preparation of the Infrastructure & Asset Management Plan

The following assumptions have been used as the basis for preparing the IAMP:

- Movement in the Consumer Price Index (CPI) as at December 2017 for Adelaide has been used to develop the IAMP for 2018-19, that is 2.3%.
- Based on best estimates, it has been assumed that the movement in Consumer Price Index (CPI) as at December each year will be 2% for the period 2019-20 to 2026-27.
- A zero growth factor is assumed (that is a minimal movement in population)
- Provision of services is based on current practice and it is assumed that no additional services will be introduced for the term of the Plan
- Priority is given to funding the maintenance or renewal of existing assets ahead of extending or upgrading assets in order to maximise Council's financial resources
- Minimal extension or upgrading of assets will occur for the term of the Plan
- Priority is given to undertaking works which reduce the future maintenance costs of Council and/or significantly extend the useful life of existing assets.
- There are a number of potential projects that Council discusses in general terms from time to time. These projects have not been taken into consideration when formulating this Plan.
- Funding opportunities will continue to be investigated and grant revenue targeted in a strategic manner.
- Estimated total life, remaining life and replacement value is sourced from Council's asset management registers as at 30 June 2017.
- This Plan excludes the following asset classes (refer Note 7 of Annual Financial Statements): Land, Furniture & Contents, Site Improvements, Minor Plant, Major Plant and Library Materials.

## What Council Owns

The value of assets included in this Plan, as at 30 June 2017, are included in the following table:

ASSET CATEGORY	REPLACEMENT VALUE AS AT 30 JUNE 2017 (\$)
Buildings & Structures	24,826,239
Naracoorte Transfer Station	1,610,216
Lucindale Community Waste Management Scheme (CWMS)	2,704,114
Naracoorte Regional Livestock Exchange (NRLE)	13,113,091
Naracoorte Swimming Lake	3,345,559
Aerodromes	3,034,945
Infrastructure	
- Bridges & Drainage	8,003,760
- Roads (includes pathways, kerb, watertable, etc)	212,865,055
- Stormwater	14,152,753
<b>TOTAL</b>	<b>\$283,655,732</b>

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## Measuring Our Performance

### Quality

Naracoorte Lucindale Council's assets will be maintained in a suitably usable condition. Issues found or reported that are outside normal maintenance and/or servicing will be assessed and appropriate remedial action taken.

Some buildings and other infrastructure are leased by external parties and certain obligations rest with the Lessee.

### Function

Our intent is that assets will be suitably fit for purpose, assessed and repaired as appropriate, and meet minimum regulations and standards.

Asset attributes will be maintained at an appropriately safe level and associated signage and equipment be provided as needed to ensure public safety.

### Safety

Due to the large number of assets, the public plays an important role in the reporting of safety issues and defects.

Periodic inspections of buildings take place with regard to fire safety, asbestos and Work Health & Safety. Scheduled inspections will be introduced during 2018 with the intent of providing proactive, planned maintenance moving forward.

Any reported safety issue, defect or hazardous materials will be assessed as a matter of priority and appropriate remedial action taken.

## What Does It Cost

The forecast expenditure to provide the assets covered by this Plan over the ten (10) year period is \$86,005,016.

This includes operating, maintenance, debt servicing, renewal and upgrading of existing assets and creation of new assets.

The average is \$8,600,502 per year.

A summary of expenditure and income associated with asset classes is provided on the following page.

Buildings	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income											-
Operational	264,378	269,666	275,059	280,560	286,171	291,895	297,733	303,687	309,761	315,956	2,894,865
Maintenance	281,680	287,314	293,060	298,921	304,899	310,997	317,217	323,562	330,033	336,634	3,084,317
Depreciation	460,972	470,191	479,595	489,187	498,971	508,950	519,129	529,512	540,102	550,904	5,047,515
Debt servicing costs	29,573	29,573	29,573	29,573	-	-	-	-	-	-	118,293
Internal Loan											-
Capital Income											-
Renewal/Replacement	296,000	189,000	-	-	-	-	-	-	-	-	485,000
New/Upgrade	-	-	-	-	-	-	-	-	-	-	-
Transfer Station	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income	1,738	3,156	3,219	3,284	3,349	3,416	3,484	3,554	3,625	3,698	32,524
Operational	4,342	3,855	3,932	4,011	4,091	4,173	4,256	4,341	4,428	4,517	41,946
Maintenance	25,000	25,500	20,000	20,000	15,000	15,000	10,000	10,000	5,000	5,000	150,500
Depreciation	42,793	45,240	46,145	47,068	48,009	48,969	49,949	50,948	51,967	53,006	484,092
Debt servicing costs	-	-	-	-	-	-	-	-	-	-	-
Internal Loan											-
Capital Income											-
Renewal/Replacement	-	-	-	-	-	-	-	-	-	-	-
New/Upgrade	-	-	-	-	-	-	-	-	-	-	-
CWMS	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income	95,679	99,110	101,092	103,114	105,176	107,280	109,425	111,614	113,846	116,123	1,062,460
Operational	10,008	10,085	10,287	10,492	10,702	10,916	11,135	11,357	11,584	11,816	108,383
Maintenance	39,000	13,000	13,265	13,535	13,811	14,089	14,365	14,641	14,917	15,193	148,792
Depreciation	41,256	47,445	48,394	49,362	50,349	51,356	52,383	53,431	54,499	55,589	504,064
Debt servicing costs	-	-	-	-	-	-	-	-	-	-	-
Internal Loan											-
Capital Income											-
Renewal/Replacement	-	-	-	-	-	-	-	-	-	-	-
New/Upgrade	-	-	-	-	-	-	-	-	-	-	-
NRLE	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income	1,514,520	1,544,810	1,575,707	1,607,221	1,639,365	1,672,152	1,705,596	1,739,707	1,774,502	1,809,992	16,583,571
Operational	584,423	597,477	610,827	624,478	638,439	652,715	667,315	682,245	697,514	713,128	6,468,561
Maintenance	398,500	406,745	378,698	386,561	359,336	366,826	374,474	382,282	390,255	398,395	3,842,072
Depreciation	396,103	412,103	427,603	445,603	476,903	507,403	530,403	553,403	553,903	555,703	4,859,130
Debt servicing costs	255,884	255,883	255,882	255,882	258,883	199,953	199,953	199,953	199,953	199,953	2,276,179
Internal Loan	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	172,800
Capital Income						150,000					150,000
Renewal/Replacement	62,100	310,000	310,000	360,000	626,000	610,000	310,000	310,000	10,000	36,000	2,944,100
New/Upgrade	7,226	10,000	-	-	-	-	150,000	150,000	-	-	317,226
Swimming	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income	150	150	153	156	159	162	166	169	172	176	1,613
Operational	125,285	137,480	140,490	143,566	146,710	149,925	153,210	156,568	160,001	163,510	1,476,745
Maintenance	68,000	67,000	68,340	69,707	71,101	72,523	73,973	75,453	76,962	78,501	721,560
Depreciation	62,506	58,256	59,421	60,610	61,822	63,058	64,319	65,606	66,918	68,256	630,772
Debt servicing costs	-	-	-	-	-	-	-	-	-	-	-
Internal Loan											-
Capital Income											-
Renewal/Replacement	183,750	60,000	-	-	-	-	-	-	-	-	243,750
New/Upgrade	6,250	33,500	-	-	-	-	-	-	-	-	39,750
Aerodrome	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income	27468	28100	28,662	29,235	29,820	30,416	31,025	31,645	32,278	32,924	301,573
Operational	27163	24630	25,183	25,748	26,326	26,917	27,521	28,140	28,772	29,419	269,818
Maintenance	38000	58500	59,670	60,863	62,081	63,322	64,589	65,881	67,198	68,542	608,646
Depreciation	103621	109989	112,189	114,433	121,721	124,156	139,139	141,922	154,760	157,855	1,279,785
Debt servicing costs	-	-	-	-	-	-	-	-	-	-	-
Internal Loan											-
Capital Income											-
Renewal/Replacement	195000	20000	-	-	-	-	400,000	-	-	-	615,000
New/Upgrade	50000	35000	-	-	100,000	-	250,000	-	200,000	-	635,000
Road Infrastructure	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income	1,402,952	1,113,312	858,128	875,281	892,777	910,621	928,824	947,391	966,329	985,646	9,881,261
Operational	12,655	3,405	3,473	3,543	3,613	3,686	3,759	3,835	3,911	3,990	45,870
Maintenance	2,080,000	1,550,000	1,581,000	1,612,620	1,644,872	1,677,770	1,711,325	1,745,552	1,780,463	1,816,072	17,199,674
Depreciation	4,920,000	5,004,850	5,158,127	5,334,732	5,470,588	5,585,305	5,711,262	5,827,804	5,944,360	6,063,248	55,020,276
Debt servicing costs	125,861	125,861	125,861	125,861	125,861	-	-	-	-	-	629,304
Internal Loan	-	-	-	-	-	-	-	-	-	-	-
Capital Income	415,000	992,500	-	-	-	-	-	-	-	-	1,407,500
Renewal/Replacement	7,209,000	7,875,250	5,119,720	2,676,535	1,903,000	2,516,000	2,465,920	1,817,300	1,820,000	1,820,000	35,222,725
New/Upgrade	537,500	1,117,500	1,063,598	1,468,850	583,219	106,123	285,000	46,350	-	-	5,208,140
TOTAL	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
Operating Income	3,042,507	2,788,638	2,566,961	2,618,291	2,670,647	2,724,048	2,778,520	2,834,081	2,890,752	2,948,558	27,863,003
Operational	1,028,254	1,046,598	1,069,250	1,092,398	1,116,052	1,140,227	1,164,929	1,190,173	1,215,972	1,242,335	11,306,188
Maintenance	2,930,180	2,408,059	2,414,033	2,462,207	2,471,101	2,539,428	2,565,932	2,617,375	2,664,855	2,718,393	25,791,561
Depreciation	6,027,251	6,148,074	6,331,474	6,540,994	6,728,362	6,889,198	7,066,584	7,222,625	7,366,509	7,504,561	67,825,634
Debt servicing costs	411,318	411,318	411,318	411,318	384,743	199,953	199,953	199,953	196,953	196,953	3,023,776
Internal Loan	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	172,800
Capital Income	415,000	992,500	-	-	-	150,000	-	-	-	-	1,557,500
Renewal/Replacement	7,945,850	8,454,250	5,429,720	3,036,535	2,529,000	3,126,000	3,175,920	2,127,300	1,830,000	1,856,000	39,510,575
New/Upgrade	600,976	1,196,000	1,063,598	1,468,850	683,219	106,123	685,000	196,350	200,000	-	6,200,116



# Buildings & Structures





## What Council Provides

Council provides buildings which are used to deliver core services such as Council administration, library services, public halls, retirement village, house the Naracoorte Art Gallery, public toilets and works depots.

Council's buildings represent a significant past investment by the community, so it is important that this infrastructure meets a level of service acceptable to the community and other key stakeholders now and into the foreseeable future.

Buildings & Structures	Estimated Total Useful Life	Estimated Remaining Life**	Estimated Replacement Cost as at 30.06.17
Carter's Road House	60	28	284,800
Cockatoo Lake			
- Shelter	40	16	18,000
- Toilet Building	30	15	29,000
Hynam Hall			
- Hall	100	38	263,000
- Shelters (2)	40	14	20,300
- Boiler	30	19	3,200
- Toilet Cubicles	50	18	20,000
Lucindale Cemetery			
- Bore Pump Shed	30	9	3,600
- Mobile Chapel	20	9	11,000
- Columbarium	20	8	33,000
- Gardeners Shed	30	13	14,000
Lucindale Council Depot			
- Workshop	50	13	653,000
- Tyre/Vehicle Store	30	16	74,000
- Machinery Shed (old)	30	19	117,900
- Office/Vehicle Store	50	28	183,000
- Dog Pound	30	25	2,300
- Wash Down Bay	30	22	2,900
- Shed	30	19	7,200
- Miscellaneous Structures	25	16	41,000
- Fuel Tank	40	36	42,000
- Rainwater Tank	30	29	7,801
Lucindale Council Offices			
- Office	60	34	812,000
- Outbuilding	50	26	41,000
Lucindale Harry Tregoweth Retirement Village			
- Units (6)	50	38	1,296,000
- Rainwater Tank	30	29	2,903
Lucindale Health Centre	60	28	553,000
Lucindale Information Bay	30	16	16,000
Lucindale Jubilee Park			
- Windmill	20	8	23,000
Lucindale Memorial Hall	75	28	1,894,440

Lucindale Parklands			
- Toilet Building	50	28	280,000
Lucindale Pump Sheds			
- Centenary Avenue	30	21	2,700
- Gum Avenue	30	9	13,000
- Park Drive	30	7	19,000
- Wattle Drive	30	9	13,000
- Oak Avenue	30	9	13,000
Lucindale Recreation Ground			
- Show Pavilion	30	13	242,300
- Switchboard	30	28	10,742
- Toilet Building (Bay 13)	50	33	164,200
- Garage	30	19	9,500
- Entrance Gates	40	22	21,000
- Amenities (Caravan Park)	50	36	242,000
- Garden Shed	30	13	2,700
Lucindale RSL Hall	75	21	665,000
Lucindale Senior Citizens Hall			
- Hall	75	28	688,000
- Outbuilding	50	18	20,000
Lucindale Town Park			
- Toilet Building	50	28	167,400
- Gazebo	40	22	23,000
Lucindale Transfer Station			
- Shed	30	19	15,000
- Shed	30	13	3,600
- Infrastructure	30	19	19,600
Lucindale Urrbrae Avenue			
- Storage Shed	30	19	70,000
- Former Pump Shed	30	7	2,700
Naracoorte Art Gallery			
- Gallery	130	50	1,866,000
- Outbuilding	50	23	124,700
Naracoorte Barclay Park			
- Shelter	40	8	11,000
Naracoorte CBD Toilets	50	36	280,436
Naracoorte Cemetery			
- Gardener's Shed	30	12	27,000
- Gate House Sexton Cottage)	100	29	71,000
- Mobile Chapel	20	9	11,000
- Toilet Building	30	19	29,000
- Gazebo	40	22	12,000
- Sundry Structures	40	22	80,000
Naracoorte Council Depot			
- Vehicle Storage Shed	60	31	114,100
- Dog Pound	30	21	19,000
- Gardener's Shed	30	13	136,800
- Implement Shed	30	10	181,700
- Office & Workshop	50	18	1,744,000

- Car Shed 1	30	24	18,000
- Car Shed 2	30	13	52,000
- Shed	30	16	19,000
Naracoorte Council Office	100	48	2,261,000
Naracoorte Information Bay	30	16	36,000
Naracoorte Market Square			
- Shelter	40	26	11,000
- Toilet Building	50	48	110,017
- Shelter	40	26	32,000
Naracoorte Memorial Oval			
- Toilet Building	50	38	89,000
- Storage Shed	30	22	2,700
- Exercise Facility	20	6	21,000
- Entrance Pillars & Gates	40	22	46,000
Naracoorte Pioneer Park			
- Toilet Building	50	23	85,000
- Train Shelter	40	26	56,000
- Picnic Shelter	40	14	20,000
- Rotunda	40	22	32,000
- BBQ Shelter	40	16	6,100
Naracoorte Public Library			
- Library	60	28	1,116,600
- Carpark	25	18	27,000
Naracoorte Pump Sheds			
- Jenkins Terrace	30	16	2,700
- Leicester Street	30	22	2,700
- Panorama Crescent	30	22	2,700
Naracoorte Records Room	75	36	124,200
Naracoorte Sound Shell	30	19	96,000
Naracoorte Table Tennis Club	50	28	396,000
Naracoorte Town Hall	75	36	6,277,000
<b>TOTAL</b>			<b>\$24,826,239</b>

*\*\* This is the estimated remaining life of the building shell, however components of the building (eg air conditioning) may require renewing sooner.*

## What Does It Cost

There are two key indicators of cost to manage the Building assets. The life cycle cost being the average cost over the life cycle of the asset and the total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The average life cycle cost (made up of maintenance and depreciation) of Naracoorte Lucindale Council's existing Buildings is estimated at \$813,183 per annum.

Council's average planned life cycle expenditure (made up of maintenance and capital renewal) over the life of this plan is \$356,932 which gives a life cycle sustainability index of 44% (this is because no renewal expenditure has been identified over the period of this plan).

The total forecast expenditure required to provide the Building network service over the period of this plan is \$6,582,476 (this incorporates maintenance, operating, debt servicing and capital [renewal & new]).

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This is an average of \$658,248 per annum.

Staff costs associated with providing the service (eg. library service) are excluded from the calculations.

## Forecast Income

### Operating

Operating Income is currently excluded from this plan.

### Capital

There is no forecast capital income for the term of the plan.

### Loan Borrowing

There are no new loan borrowings forecast for the term of the plan.

## Forecast Expenditure

### Operating

Operating includes costs associated with operating the building asset. This can vary for each asset but includes costs such as cleaning, consumables, electricity, telephone, water and security monitoring. Staff costs associated with providing the service (eg. library service) are excluded from the calculations.

The current forecast operating expenditure for the term of the plan is \$2,894,865.

### Maintenance

Maintenance includes costs associated with maintaining the building asset. This can vary for each asset but includes costs such as cleaning, septic tank pumping, fire equipment inspections, minor services and repairs (air conditioning, electrical, etc). This can also include internal costs (staff and plant) to maintain the land and buildings.

The current forecast maintenance expenditure for the term of the plan is \$3,084,317.

### Depreciation

The current forecast depreciation for the term of the plan is \$5,047,515

### Debt Servicing Costs

The current forecast debt servicing costs for the term of the plan are: -

Principal:	\$102,992
Interest:	\$15,301

### Capital - Renewal

Capital - Renewal are capital costs associated with renewing or replacing current assets.

The current forecast capital (renewal) expenditure for the term of the plan is \$485,000.

### Capital - New

Capital - New are capital costs associated with upgrading current assets or adding new assets.

There are no capital (new) costs for the term of the plan.

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### Notes and Assumptions

Capital projects and maintenance requirements are identified by: -

- Customer requests (external & internal)
- Informal inspections

### Opportunities for Improvements

There is no forward plan for capital renewal or new assets at the time of writing this plan.

A new role was created in 2018 to ensure Council takes a more proactive planned approach in relation to building maintenance and renewal.

Building inspections and audits will be developed during 2018-2019 leading to the development of more detailed and accurate forward estimates.

A proactive approach to building maintenance may extend the life of these assets.

A proactive asbestos management plan is in the process of being implemented and the energy efficiency of buildings will be assessed.

Building assets will be reviewed and any assets which are not owned by Council will be removed from the Asset Register.

# Naracoorte Waste Transfer Station





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## What Council Provides

The Naracoorte Waste Transfer Station was developed in response to widespread closure of regional landfills because of mandated higher environmental performance standards from the Environment Protection Agency (EPA). The Naracoorte Landfill was not a lined (engineered) landfill and so it had potential for long term groundwater contamination. The Limestone Coast region of South Australia relies heavily on groundwater.

Council identified the risk of doing nothing and realised that the increased costs for disposal of residual waste from its kerbside bin collection services would possibly make them financially unsustainable over the longer term. Because of its geographic position, in the heart of the Limestone Coast region, it identified an opportunity to centralise waste collection and processing and minimise cost increases through collaborative activity with other Councils.

As a result, a fit for purpose waste transfer (and recovery) station was built between 2010 and 2012 to cater for the waste management needs of the Limestone Coast Region of South Australia.

The Landfill site is officially closed and closely monitored in compliance with the EPA endorsed Closure Plan for the Naracoorte Landfill.

The Facility is operated under EPA Licence 246, which includes approval to dispose of non-friable asbestos at the site.

The land is owned freehold by the Naracoorte Lucindale Council and is excluded from community land classification. The infrastructure listed below is also owned by Council, though additional infrastructure may be established by the Lessee, subject to Council approval, in the future.

The Naracoorte Waste Transfer Station is currently leased to Enviro Tec SE Pty Ltd. The lease expires on 30 June 2021.

Infrastructure	Estimated Total Useful Life	Estimated Remaining Life**	Estimated Replacement Cost as at 30.06.17
Naracoorte Transfer Station			
- Former Office	50	16	6,500
- Transportable Office	15	10	57,000
- Implement Shed	30	16	120,000
- Waste Disposal Infra.	50	43	1,000,000
- Internal Road	50	45	150,833
- Delivery Pad	50	45	74,578
- Retention Basin	60	55	20,703
- Drainage	60	55	38,225
Plant & Equipment			
- Compactor Unit fitted with Hopper & 25HP VN Diesel Power Unit	30	24	92,559
- Weighbridge	30	24	49,818
<b>TOTAL</b>			<b>\$1,610,216</b>

\*\* This is the estimated remaining life of the infrastructure; however, components of the infrastructure may have a longer expected life (eg. sub-pavement of the internal road)

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## What Does It Cost

There are two key indicators of cost to provide the Naracoorte Waste Transfer Station Service. The life cycle cost being the average cost over the life cycle of the asset and the total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The average life cycle cost (made up of maintenance and depreciation) of the Naracoorte Waste Transfer Station is estimated at \$63,459 per annum.

Council's average planned life cycle expenditure (made up of maintenance and capital renewal) over the life of this plan is \$15,050 which gives a life cycle sustainability index of 24% (this is because the renewal expenditure identified as warranted over the period of this plan is less than the depreciation for the period).

The total forecast expenditure required to provide the Naracoorte Waste Transfer Station service over the period of this plan is \$192,466 (this incorporates maintenance, operating, debt servicing and capital [renewal & new]).

This is an average of \$19,246 per annum.

## Forecast Income

### Operating

Operating Income includes fees and charges for disposal of waste at the Naracoorte Waste Transfer Station. The Lessee retains all gate fees for disposal of waste. It also includes the lease fee paid by the Lessee and the costs of the EPA licence, which are recovered from the Lessee.

The current forecast operating income for the term of the plan is \$32,524.

### Capital

There is no forecast capital income for the term of the plan.

### Loan Borrowing

There are no new loan borrowings forecast for the term of the plan.

## Forecast Expenditure

### Operating

Operating includes costs associated with operating the Naracoorte Waste Transfer Station and includes costs such as the EPA Licence and insurance. The Lessee is responsible for all costs associated with the day to day operating of the facility.

The current forecast operating expenditure incurred by Council for the term of the plan is \$41,946.

### Maintenance

Maintenance includes costs associated with maintaining the Naracoorte Waste Transfer Station and due to the nature of the Lease, is restricted to reinstatement of the landfill site. This can also include internal costs, such as staff and plant.

The current forecast maintenance expenditure for the term of the plan is \$150,500.

### Depreciation

The current forecast depreciation for the term of the plan is \$484,092.

### Debt Servicing Costs

There are no debt servicing costs for the term of the plan.

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### Capital (Renewal)

Capital (Renewal) are capital costs associated with renewing or replacing current assets.

There are no capital (renewal) costs for the term of the plan.

### Capital (New)

Capital (New) are capital costs associated with upgrading current assets or adding new assets.

There are no capital (new) costs for the term of the plan.

### Notes and Assumptions

Capital projects are identified by: -

- Customer requests (external & internal)
- Informal inspections
- Meetings with Lessee

### Opportunities for Improvements

NIL identified at the time of writing this plan.

# Community Waste Management Scheme



## What Council Provides

The Lucindale Community Waste Management Scheme (CWMS) was commissioned in 1987 to service approximately 222 properties in Lucindale. The total cost of the project was \$602,000. This was paid for through a government grant of \$484,000 and a loan of \$118,000 paid off over a 10-year period (repaid in September 1997).

Along with 34 other Councils, the Naracoorte Lucindale Council took advantage of the option of a subsidised audit in 2004. GHD Pty Ltd audited the Lucindale CWMS. Charges for the Scheme were reviewed as a component of the audit and service fees increased over a 10-year period to protect the sustainability of the system going forward.

Under legislation, all fees raised for the CWMS that are unspent must be held in reserve for future expenditure on the Scheme. The balance of the reserve as at 30 June 2017 was \$301,910.

The lagoons are on land that is owned freehold by the Naracoorte Lucindale Council and are excluded from community land classification.

Infrastructure	Number	Estimated Total Useful Life	Estimated Remaining Life**	Estimated Replacement Cost as at 30.06.17
Connections - Occupied - Vacant		60	27	23,125
100mm uPVC gravity main	6511 metres	60	27	829,750
40mm uPVC gravity main	126 metres	60	27	12,600
Rising Mains 100mm uPVC Class 6	4237 metres	60	27	529,625
Maintenance Holes	17	60	27	51,000
Pump Shed	5	30	10	36,000
Pumps				
- Pump Shed 1	2	10	5	22,276
- Pump Shed 2	2	10	6	25,890
- Pump Shed 3	2	10	7	7,293
- Pump Shed 4	2	10	1	25,000
- Pump Shed 5	2	10	7	8,176
Oxidation Lagoon				
- Lagoon	1	80	33	936,000
- Koenders Generation Windmill	1	60	55	1,844
Evaporation Lagoon	1	100	43	150,535
Perimeter Fencing	900 metres	50	29	45,000
<b>TOTAL</b>				<b>\$2,704,114</b>

\*\* This is the estimated remaining life of the infrastructure; however, components of the infrastructure may have a longer expected life (eg. sub-pavement of lagoon)

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## What Does It Cost

There are two key indicators of cost to provide the Community Waste Management Scheme (CWMS) at Lucindale. The life cycle cost being the average cost over the life cycle of the asset and the total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The average life cycle cost (made up of maintenance and depreciation) of the Community Waste Management Scheme (CWMS) is estimated at \$68,886 per annum.

Council's average planned life cycle expenditure (made up of maintenance and capital renewal) over the life of this plan is \$18,479 which gives a life cycle sustainability index of 27% (this is because the renewal expenditure identified as warranted over the period of this plan is less than the depreciation for the period).

The total forecast expenditure required to provide the Community Waste Management Scheme (CWMS) over the period of this plan is \$293,175 (this incorporates maintenance, operating, debt servicing and capital [renewal & new]).

This is an average of \$29,318 per annum.

## Forecast Income

### Operating

Operating Income includes fees and charges for access to the Community Waste Management Scheme (CWMS). The Service Charge for connection to the CWMS is included on Council's annual rate notice. Interest is also earned in relation to the funds held in the reserve account.

Unexpended income is transferred to a reserve account annually at 30 June.

The current forecast operating income for the term of the plan is \$1,062,460.

### Capital

There is no forecast capital income for the term of the plan.

### Loan Borrowing

There are no new loan borrowings forecast for the term of the plan.

## Forecast Expenditure

### Operating

Operating includes costs associated with operating the Community Waste Management Scheme (CWMS) and includes costs such as the EPA Licence, electricity and insurance. This can also include internal costs, such as staff and plant.

The current forecast operating expenditure incurred for the term of the plan is \$108,383.

### Maintenance

Maintenance includes costs associated with maintaining the Community Waste Management Scheme (CWMS) and includes pump shed maintenance, pipe & pump maintenance, maintenance of the lagoon and desludging of septic tanks. This can also include internal costs, such as staff and plant.

The current forecast maintenance expenditure for the term of the plan is \$184,792.

### Depreciation

The current forecast depreciation for the term of the plan is \$504,064.



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### Debt Servicing Costs

There are no debt servicing costs for the term of the plan.

### Capital (Renewal)

Capital (Renewal) are capital costs associated with renewing or replacing current assets.

There are no capital (renewal) costs for the term of the plan.

### Capital (New)

Capital (New) are capital costs associated with upgrading current assets or adding new assets.

There are no capital (new) costs for the term of the plan.

### Notes and Assumptions

Capital projects are identified by: -

- Customer requests (external & internal)
- Informal inspections

The Community Waste Management Scheme (CWMS) infrastructure will be revalued effective 1 July 2017.

### Opportunities for Improvements

NIL identified at the time of writing this plan.

# Naracoorte Regional Livestock Exchange (NRL)



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## What Council Provides

Council operates the Naracoorte Regional Livestock Exchange (NRLE) located at Carters Road, Naracoorte. The NRLE was established by the then District Council of Naracoorte in 1973.

The land is owned freehold by the Naracoorte Lucindale Council and is excluded from community land.

Operations at the site are designated as an Activity of Environmental Significance under Schedule 1 of the Environment Protection Act 1993, which applies to activity within a Water Protection Area (as defined by the Water Resources Act 1997). Conditions of the EPA Licence for the facility include having a Wastewater Irrigation Management Plan (WIMP) together with an Environmental Monitoring Program.

Council's **VISION** for the NRLE is: -

*The Naracoorte Regional Livestock Exchange will be the premier livestock selling centre for South Australia and Victoria. We will work collaboratively with stakeholders to be the industry leader in livestock handling and selling in safe modern facilities. We will have a minimal impact on the environment while deriving financial benefits for the community, stakeholders and Council.*

The Naracoorte Lucindale community derives significant direct economic benefit from the NRLE.

Council has recognized the need for the NRLE to operate as a commercial business and operate independent of financial support from Council rate revenue. To achieve this, the Naracoorte Regional Livestock Exchange Board (the Board) will oversee the development, construction and general operations and monitor the financial performance of the Naracoorte Regional Livestock Exchange. Their objective is to implement the Management Plan and monitor the performance of the NRLE.

The land is zoned Industry in the Naracoorte Lucindale Council Development Plan and consists of the yards themselves and effluent ponds, being; Section 120 & Lot 654 (23.4 Ha) and Lot 653 (2.45 Ha) Hundred Naracoorte respectively. An additional section is zoned primary production; PCES 5 & 6 Hundred: Naracoorte (52.8 Ha) adjacent to the north.

The Naracoorte Regional Livestock Exchange Management Plan 2017 - 2028 was adopted by Council in December 2017 (*refer resolution 147/18*). More detailed information in relation to the management of the facility may be found in this document.

Infrastructure	Estimated Total Useful Life	Estimated Remaining Life**	Estimated Replacement Cost as at 30.06.17
Office & Amenities Block	60	22	558,574
Workshop	50	18	170,000
Toilet Building	50	23	13,000
Vermin Shed	30	16	16,000
Pump Shed	30	22	2,500
Chemicals Store	30	7	7,500
Shed	30	10	17,000
Carport	40	14	9,100
Miscellaneous Structures	30	7	99,000
Saleyards	30	14	4,650,000
Signage	15	10	1,600
Truck Parking Bay	25	11	230,000
Entrance Gates	15	7	7,400
Driveway and Carpark	25	11	470,000
Phylloxera Heat Shed	50	33	338,000
Truck Wash	50	33	380,000

Roof	50	46	3,034,000
Syphon Drain	60	49	170,000
Rainwater Tanks (4)	30	24	7,500
Pipework	60	49	23,000
Water Treatment Plant	25	20	1,727,000
Fencing/Gates	25	19	16,000
Weighbridge	25	20	330,000
Weighbridge Office	50	42	130,700
Yards (steel)	40	32	370,000
Signage	15	14	7,375
Major Plant <sup>(a)</sup>			151,764
Minor Plant <sup>(a)</sup>			105,030
Furniture & Equipment <sup>(a)</sup>			71,048
<b>TOTAL</b>			<b>\$13,113,091</b>

**\*\*** This is the estimated remaining life of the infrastructure; however, components of the infrastructure may have a longer expected life (eg. roof of office & amenities building)

<sup>(a)</sup> Total estimated life and remaining life vary for the assets included in these sub-classes

## What Does It Cost

There are two key indicators of cost to provide the Naracoorte Regional Livestock Exchange service. The life cycle cost being the average cost over the life cycle of the asset and the total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The average life cycle cost (made up of maintenance and depreciation) of the Naracoorte Regional Livestock Exchange is estimated at \$870,120 per annum.

Council's average planned life cycle expenditure (made up of maintenance and capital renewal) over the life of this plan is \$678,617 per annum which gives a life cycle sustainability index of 78% (this is because the renewal expenditure identified as warranted over the period of this plan is less than the depreciation for the period).

The total forecast expenditure required to provide the Naracoorte Regional Livestock Exchange service over the period of this plan is \$16,020,937 (this incorporates maintenance, operating, debt servicing costs and capital [renewal & new]).

This is an average of \$1,602,094 per annum.

## Forecast Income

### Operating

Operating Income includes fees and charges for use of the Naracoorte Regional Livestock Exchange.

The current forecast operating income for the term of the plan is \$16,583,571.

### Capital

Capital income includes disposal of assets and grant income.

The current forecast capital income for the term of the plan is \$150,000.

### Loan Borrowing

There are no new loan borrowings forecast for the term of the plan.

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## Forecast Expenditure

### Operating

Operating includes costs associated with operating the Naracoorte Regional Livestock Exchange and includes costs such as administration, advertising, consumables, rates, licences, electricity, telephone, water and refuse collection. This can also include internal costs, such as staff and plant.

The current forecast operating expenditure for the term of the plan is \$6,468,561.

### Maintenance

Maintenance includes costs associated with maintaining the Naracoorte Regional Livestock Exchange and includes costs such as cleaning, land and building maintenance, soft floor and yard washing. This can also include internal costs, such as staff and plant.

The current forecast maintenance expenditure for the term of the plan is \$3,842,072.

### Depreciation

The current forecast depreciation for the term of the plan is \$4,859,130.

### Debt Servicing Costs

The current forecast debt servicing costs for the term of the plan are: -

Principal:	\$1,704,944
Interest:	\$571,235
Internal Loan:	\$172,800

### Capital (Renewal)

Capital (Renewal) are capital costs associated with renewing or replacing current assets.

The current forecast capital (renewal) expenditure for the term of the plan is \$2,944,100.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
<b>Furniture &amp; Equipment</b>	3k									
<b>IT</b>	19k	10k	10k	10k	10k	10k	10k	10k	10k	10k
<b>Fleet</b>					26k					26k
<b>Major Plant</b>					40k					
<b>Uploading Ramps</b>						300k				
<b>Bull Pens</b>					250k					
<b>NLIS Readers</b>				50k						
<b>Signs</b>		10k								
<b>Cattle Selling Pens</b>	40k	300k	300k	300k	300k	300k	300k	300k		
<b>TOTAL</b>	<b>62k</b>	<b>310k</b>	<b>310k</b>	<b>360k</b>	<b>626k</b>	<b>610k</b>	<b>310k</b>	<b>310k</b>	<b>10k</b>	<b>36k</b>

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### Capital (New)

Capital (New) are capital costs associated with upgrading current assets or adding new assets.

The current forecast capital (new) expenditure for the term of the plan is \$317,226.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
Minor Plant	8k									
Sheep Pens – Shade							150k	150k		
Signs		10k								
<b>TOTAL</b>	<b>8k</b>	<b>10k</b>					<b>150k</b>	<b>150k</b>		

### Notes and Assumptions

- Capital Project (renewal & new) forecasts are based on Naracoorte Regional Livestock Exchange Management Plan 2017-2028
- Financial forecasts are conservative and consider market trends, seasonal factors, external economic drivers, capital investment, maintenance requirements and maintaining the appropriate staffing levels

The following strategy is essential for the NRLE's future financial sustainability: -

- Maintain throughput of livestock.
- Set realistic revenue targets on an annual basis to ensure expenditure does not exceed revenue generated
- Ensure strong links between the NRLE's projected capital investment and capacity to service any borrowings.
- Loan borrowings to be used as appropriate to achieve strategic targets, where detailed analysis of cost/benefit has been undertaken.
- Requests for expansion of asset base to be fully assessed for "whole of life" cost & benefit prior to any commitment.
- Grant revenue to be targeted in a strategic manner.
- Depreciation reviewed on an ongoing basis to ensure it is not over or understated

### Opportunities for Improvements

Implementation and close monitoring of the Naracoorte Regional Livestock Exchange Management Plan 2017-2028 will ensure that the NRLE maintains its position as a market leader in the livestock sales arena.

Increased capacity and throughput of the TEYS Meat Processing facility will have a flow on effect to the NRLE, potentially leading to an increased presentation of high quality stock for auction.

Improved road infrastructure, leading to improved efficiency in transport by allowing larger transport vehicles to access the NRLE, thus reducing costs to both sellers and buyers.



# Naracoorte Swimming Lake



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## What Council Provides

Council operates the Naracoorte Swimming Lake located at Moore Street, Naracoorte. The Naracoorte Swimming Lake was officially opened by Governor Sir Eric Bastyn on 2 November 1961, the culmination of three (3) years' work by a committee of dedicated local residents.

The land is owned by the Crown, gazetted as Parklands and dedicated under the Care and Control of Council. The land is classified as community land. The infrastructure, plant and equipment is owned by Council.

The swimming lake grounds are open all year round, with the lake usually filled and operational from 1 December – 31 March, though the season may be extended due to climatic conditions or special events.

The swimming lake (walled structure and change rooms) celebrated its 50<sup>th</sup> year in 2011. Since 1961 the swimming lake has received a number of upgrades to improve the level of service provided to the community. These include, but are not limited to: -

- 1970s - flood lighting added
- 1980s - swim lake floor rotary hoed with a concrete additive
- 1994 - irrigation of parkland surrounds
- 1995 - lake closed due to health concerns
- 1996 - chlorination and fencing added, lifeguards started patrolling
- 1997 - pump shed upgraded with new bore and pumps
- 2004 - entire swim lake floor concreted
- 2005 - water inlet was adjusted to above ground
- 2005 - walkway to pontoon added
- 2011 - security cameras added; car park resealed
- 2012 - sand media tank & filters; replacement pump
- 2013 - switchboard replacement
- 2015 - new shade sail installed
- 2016 - upgrade to fit out of change room facilities; installation of artificial turf
- 2017 - replacement pontoon
- 2018 – membrane applied to lake walls to prevent leakage

The swimming lake is fed from a groundwater bore adjacent to the lake structure. The lake holds 11 million litres and takes approximately 5 days to fill. The water is kept clean by recycling through sand filters and being dosed with chlorine through the summer months. The lake is drained in early April each year and takes 24 hours to empty. The water is diverted to the Naracoorte Creek after the chlorine has adequately dissipated.

The swimming lake requires approximately 30,000kL of groundwater each season to maintain desired water levels. Water losses are due to the following reasons:

- Evaporation
- Leakage through walls
- Usage i.e. water retained on skin and clothing.

Groundwater is also used to irrigate the parkland surrounds daily in summer.

Routine maintenance, including regular water quality testing, is typically recurring from year to year and performed by Council employees with contractors engaged for specialty services such as servicing the chlorine system.

Contractors are also engaged for: -

- cleaning the change room facilities, which are cleaned daily during winter and twice a day when the lake is open
- waste collection
- provision of security when the lake is open and the temperature is forecast to exceed 30 degrees

Lifeguards are not currently provided at the swimming lake, with patrons using the facility at their own risk.

The swimming lake is a unique facility that attracts visitors from far and wide. The only other similar facility of its kind is located in Millicent which has an asphalt floor.

Infrastructure	Estimated Total Useful Life	Estimated Remaining Life**	Estimated Replacement Cost as at 30.06.17
Swimming Lake			
- Structure	60	28	2,702,916
- Walkway/Pontoon	20	20	28,088
- Artificial Turf	20	18	13,590
Change Rooms & Kiosk	60	16	480,816
Sheds			
- Pump Shed	30	13	6,000
- Storage Shed	30	13	10,000
- Chlorination Shed	30	16	30,000
- Filtration Shed	30	10	16,000
Shade Structures & Cloths	10	8	18,996
Minor Plant <sup>(a)</sup>			39,153
<b>TOTAL</b>			<b>\$3,345,559</b>

\*\* This is the estimated remaining life of the infrastructure; however, components of the infrastructure may have a longer expected life (eg. roof of change rooms & kiosk)

<sup>(b)</sup> Total estimated life and remaining life vary for the assets included in these sub-classes

## What Does It Cost

There are two key indicators of cost to provide the Naracoorte Swimming Lake service. The life cycle cost being the average cost over the life cycle of the asset and the total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The average life cycle cost (made up of maintenance and depreciation) of the Naracoorte Swimming Lake service is estimated at \$135,233 per annum.

Council's average planned life cycle expenditure (made up of maintenance and capital renewal) over the life of this plan is \$96,531 per annum which gives a life cycle sustainability index of 71% (this is because the renewal expenditure identified as warranted over the period of this plan is less than the depreciation for the period).

The total forecast expenditure required to provide the Naracoorte Swimming Lake service over the period of this plan is \$2,481,805 (this incorporates maintenance, operating, debt servicing costs and capital [renewal & new]).

This is an average of \$248,181 per annum.

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## Forecast Income

### Operating

Operating Income includes fees and charges for use of the Naracoorte Swimming Lake. Council does not charge a fee for use of the swimming lake and recovers a nominal amount for lease of the kiosk.

The current forecast operating income for the term of the plan is \$1,613.

### Capital

There is no forecast capital income for the term of the plan.

### Loan Borrowing

There are no new loan borrowings forecast for the term of the plan.

## Forecast Expenditure

### Operating

Operating includes costs associated with operating the Naracoorte Swimming Lake and includes costs such as audit fees, chlorine costs, electricity, water quality inspections, insurance and refuse collection. This can also include internal costs, such as staff and plant.

The current forecast operating expenditure for the term of the plan is \$1,476,745.

### Maintenance

Maintenance includes costs associated with maintaining the Naracoorte Swimming Lake and includes costs such as cleaning, equipment maintenance, land and building maintenance and pump maintenance. This can also include internal costs, such as staff and plant.

The current forecast maintenance expenditure for the term of the plan is \$721,560.

### Depreciation

The current forecast depreciation for the term of the plan is \$630,772.

### Debt Servicing Costs

There are no debt servicing costs for the term of the plan.

### Capital (Renewal)

Capital (Renewal) are capital costs associated with renewing or replacing current assets.

The current forecast capital (renewal) expenditure for the term of the plan is \$243,750.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
Carpark	19k									
Lake Walls	165k									
Lights		60k								
TOTAL	184k	60k								

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### Capital (New)

Capital (New) are capital costs associated with upgrading current assets or adding new assets.

The current forecast capital (new) expenditure for the term of the plan is \$39,750.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
<b>Carpark</b>	6k									
<b>Lake Hand Rail</b>		30k								
<b>Defibrillator</b>		4k								
<b>TOTAL</b>	<b>6k</b>	<b>34k</b>								

### Notes and Assumptions

Capital Project (renewal & new) forecasts are based on Council's 10-Year Major Roads & Infrastructure Report

### Opportunities for Improvements

The development of a Master Plan for the Naracoorte Swimming Lake is included in Council's 2018-19 budget, which will ensure a more systematic approach to maintenance, capital renewal and upgrades is undertaken in the future.



# Naracoorte Aerodrome





## What Council Provides

Council is responsible for the safe operation of the Naracoorte Aerodrome and Lucindale Airstrip.

The Naracoorte Aerodrome is at an elevation of 169 feet and located approximately 3 kilometres from the Naracoorte Town Centre. It is situated on Section 1094 and Lots Q12 and Q13 Hundred Naracoorte and is contained within an area of 180 hectares.

The Lucindale Airstrip is located on a road reserve to the western end of the Lucindale township, directly adjacent to the South East Field Days site. It is predominantly used during the Field Days, which are held annually in March.

The land contained in Section 1094 Hundred Naracoorte is owned by the Crown, gazetted as Aerodrome Reserve and dedicated under the Care and Control of Council. The land is classified as community land. The infrastructure and clubrooms are owned by Council with hangars owned by commercial businesses and individuals.

Recent years have seen the upgrade of infrastructure at both the Naracoorte Aerodrome and Lucindale Airstrip.

- 2013 – upgrade rubble runway (Lucindale)
- 2013 – upgrade fencing
- 2014 – upgrade taxiway
- 2017 – upgrade rubble runway; new CFS facilities – rubble pad and bore

Infrastructure	Estimated Total Useful Life	Estimated Remaining Life**	Estimated Replacement Cost as at 30.06.17
Runways (Naracoorte)			
- Bitumen	25	17	1,590,000
- Rubble	30	30	463,522
- Taxiway	25	21	330,000
Runways (Lucindale)			
- Rubble	25	13	140,000
- Rubble	25	21	44,000
Clubrooms	75	28	358,000
CFS Facilities			
- Rubble Pad	30	30	19,767
- Bore	30	30	7,760
Other			
- Monuments	80	54	18,000
- Entrance Gates	40	18	7,700
- Nightlights	25	13	16,853
- Lighting Tower	25	13	2,773
- Fencing	25	13	29,890
- Windsock	25	13	6,680
<b>TOTAL</b>			<b>\$3,034,945</b>

\*\* This is the estimated remaining life of the infrastructure; however, components of the infrastructure may have a longer expected life (eg. roof of clubrooms)

(c) Total estimated life and remaining life vary for the assets included in these sub-classes

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## What Does It Cost

There are two key indicators of cost to provide the Naracoorte Aerodrome and Lucindale Airstrip service. The life cycle cost being the average cost over the life cycle of the asset and the total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The average life cycle cost (made up of maintenance and depreciation) of the Naracoorte Aerodrome and Lucindale Airstrip service is estimated at \$188,843 per annum.

Council's average planned life cycle expenditure (made up of maintenance and capital renewal) over the life of this plan is \$122,365 per annum which gives a life cycle sustainability index of 65% (this is because the renewal expenditure identified as warranted over the period of this plan is less than the depreciation for the period).

The total forecast expenditure required to provide the Naracoorte Aerodrome and Lucindale Airstrip service over the period of this plan is \$2,128,464 (this incorporates maintenance, operating, debt servicing costs and capital [renewal & new]).

This is an average of \$212,846 per annum.

## Forecast Income

### Operating

Operating Income includes fees and charges for lease of land at the Naracoorte Aerodrome, primarily for private hangars.

The current forecast operating income for the term of the plan is \$301,573.

### Capital

There is no forecast capital income for the term of the plan.

### Loan Borrowing

There are no new loan borrowings forecast for the term of the plan.

## Forecast Expenditure

### Operating

Operating includes costs associated with operating the Naracoorte Aerodrome and Lucindale Airstrip service and includes costs such as membership fees, electricity and insurance. This can also include internal costs, such as staff and plant.

The current forecast operating expenditure for the term of the plan is \$269,818.

### Maintenance

Maintenance includes costs associated with maintaining the Naracoorte Aerodrome and Lucindale Airstrip and includes costs such as mowing, replacement markers, runway lights and weed spraying. This can also include internal costs, such as staff and plant.

The current forecast maintenance expenditure for the term of the plan is \$608,646.

### Depreciation

The current forecast depreciation for the term of the plan is \$1,279,785

### Debt Servicing Costs

There are no debt servicing costs for the term of the plan.

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### Capital (Renewal)

Capital (Renewal) are capital costs associated with renewing or replacing current assets.

The current forecast capital (renewal) expenditure for the term of the plan is \$615,000.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
<b>NARACOOORTE</b>										
<b>Reseal 08/26</b>							400k			
<b>Upgrade Ablutions Facility</b>	60k									
<b>Upgrade Apron</b>	125k									
<b>Upgrade Fencing</b>	10k									
<b>LUCINDALE</b>										
<b>Upgrade Fencing</b>		20k								
<b>TOTAL</b>	<b>195k</b>	<b>20k</b>					<b>400k</b>			

### Capital (New)

Capital (New) are capital costs associated with upgrading current assets or adding new assets.

The current forecast capital (new) expenditure for the term of the plan is \$635,000.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
<b>NARACOOORTE</b>										
<b>Hangar Area - Design</b>	50k									
<b>Hangar Area - Extension</b>							250k			
<b>Light Replacement</b>									200k	
<b>TAF Weather Station</b>					100k					
<b>Taxiway</b>		35k								
<b>TOTAL</b>	<b>50k</b>	<b>35k</b>			<b>100k</b>		<b>250k</b>		<b>200k</b>	

### Notes and Assumptions

Capital Project (renewal & new) forecasts are based on the Naracoorte Aerodrome Master Plan and the 10-Year Major Roads & Infrastructure Report

### Opportunities for Improvements

Review of the Naracoorte Aerodrome Master Plan to ensure legislative compliance and that adequate consideration has been given to future expansion of the facility

# Road & Stormwater Infrastructure



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## What Council Provides

Council provides an infrastructure network in partnership with the Department Planning, Infrastructure and Transport (DPTI), other State Government Departments and neighbouring Councils. Infrastructure includes bridges & drainage, roads – sealed and unsealed, kerb & watertable, pathways and stormwater.

Council is responsible for approximately 1600 kilometres of road network.

- Urban Streets (Sealed and Unsealed) 84km
- Rural Roads (Sealed) 406km
- Rural Roads (Unsealed) 1182km
- Unmade Road Reserves Approximately 600km

Urban Network – Council will consider a sealed surface within townships where the sealing of the road and provision of associated infrastructure will provide important stormwater management or other assessed benefits

Rural Network – Council will maintain a network of unsealed roads and upgrade to sealed where vehicle movements exceed 100 per day or meet criteria outlined under Guidelines to Good Practice – Rural Roads

Rural Living Network – will generally be maintained as an unsealed network unless an assessment warrants upgrading to a sealed surface

Council is committed to directing available resources to the most cost-effective outcomes for the community, based on sound Asset Management and Town Planning principles.

Council will achieve this objective by:

- Giving priority to funding the maintenance of existing road infrastructure ahead of extending or upgrading the road network in order to maximise Council's limited financial resources
- Undertaking works which reduce the future maintenance costs of Council and/or significantly extend the useful life of existing assets.
- Undertaking structure (integrated land use and transport) planning to identify strategic opportunities for growth in the road network
- Only considering applications for extension or upgrade to the road network where no other all-weather access (gravel road) or road frontage is available
- Requiring applicants generally to pay for any extension or upgrade to the road network where the applicant is the primary beneficiary
- Only considering funding of an extension or upgrade of the existing road network where significant benefit to the community exists

Footpaths comprise of paths that meet the needs of both pedestrians and cyclists and can either be located within a road reserve or other Council land such as a community park or recreational facility.

Council has a network of footpaths across all its townships with a total length of approximately 25 kilometres.



Infrastructure	Estimated Total Useful Life	Estimated Remaining Life**	Estimated Replacement Cost as at 30.06.17
Bridges & Drainage <sup>(a)</sup>			8,003,760
Roads			
- Kerb & Watertable <sup>(a)</sup>			11,045,709
- Pathways <sup>(a)</sup>			3,778,693
- Road Pavements <sup>(a)</sup>			148,211,731
- Road Seals <sup>(a)</sup>			30,134,144
- Road Sub-Pavements <sup>(a)</sup>			19,694,778
Stormwater <sup>(a)</sup>			14,152,753
<b>TOTAL</b>			<b>\$235,021,568</b>

\*\* Estimated remaining life of the infrastructure varies across the number of assets included in these sub-classes

<sup>(d)</sup> Total estimated life and remaining life vary for the assets included in these sub-classes

## What Does It Cost

There are two key indicators of cost to provide Infrastructure. The life cycle cost being the average cost over the life cycle of the asset and the total maintenance and capital renewal expenditure required to deliver existing service levels in the next 10 years.

The average life cycle cost (made up of maintenance and depreciation) of the Infrastructure is estimated at \$7,221,995 per annum.

Council's average planned life cycle expenditure (made up of maintenance and capital renewal) over the life of this plan is \$5,194,040 per annum which gives a life cycle sustainability index of 72% (this is because the renewal expenditure identified as warranted over the period of this plan is less than the depreciation for the period).

The total forecast expenditure required to provide the Infrastructure service over the period of this plan is \$58,305,713 (this incorporates maintenance, operating, debt servicing costs and capital [renewal & new]).

This is an average of \$5,830,571 per annum.

## Forecast Income

### Operating

Operating Income includes grant income and private contributions.

The current forecast operating income for the term of the plan is \$9,881,261.

### Capital

Capital Income primarily includes grant income.

The current forecast capital income for the term of the plan is \$1,407,500.

### Loan Borrowing

There are no new loan borrowings forecast for the term of the plan.



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## Forecast Expenditure

### Operating

Operating includes costs associated with operating the stormwater network and includes costs such as electricity and insurance. Ancillary costs such as tree maintenance, guide post installation and signs are excluded from this calculation.

The current forecast operating expenditure for the term of the plan is \$45,870.

### Maintenance

Maintenance includes costs associated with maintaining the Infrastructure and includes costs such as mowing, linemarking, shoulder maintenance, grading, sealed and unsealed repairs. This can also include internal costs, such as staff and plant. Ancillary costs such as tree maintenance, guide post installation and signs are excluded from this calculation.

The current forecast maintenance expenditure for the term of the plan is \$17,199,674.

### Depreciation

The current forecast depreciation for the term of the plan is \$55,020,276

### Debt Servicing Costs

The current forecast debt servicing costs for the term of the plan are: -

Principal:	\$524,199
Interest:	\$105,105

### Capital (Renewal)

Capital (Renewal) are capital costs associated with renewing or replacing current assets.

The current forecast capital (renewal) expenditure for the term of the plan is \$35,222,725.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
<b>Bridges &amp; Major Culverts</b>		90k	300k	100k						
<b>Footpaths</b>	224k	60k	29k			22k	98k			
<b>Intersections</b>	125k	205k	125k	150k	150k	150k	180k			
<b>Kerb &amp; Water Table</b>	80k			60k		100k				
<b>Reseals</b>	756k	932k	738k	750k	750k	750k	750k	750k	750k	750k
<b>Resheet</b>	1,000k	953k	1,427k	1,010	1,003	1,046	1,063	1,067	1,070	1,070
<b>Road Reconstruction</b>	4,755k	5,085	2,500k	607k		448k	375k			
<b>Stormwater</b>	270k	550k								
<b>TOTAL</b>	<b>7,210k</b>	<b>7,875k</b>	<b>5,119k</b>	<b>2,677k</b>	<b>1,903k</b>	<b>2,516k</b>	<b>2,466k</b>	<b>1,817k</b>	<b>1,820k</b>	<b>1,820k</b>

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### Capital (New)

Capital (New) are capital costs associated with upgrading current assets or adding new assets.

The current forecast capital (new) expenditure for the term of the plan is \$5,208,140.

	17-18	18-19	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27
<b>Bridges &amp; Major Culverts</b>		100k								
<b>Footpaths</b>	243k	98k	69k	69k	432k	104k		46k		
<b>Intersections</b>	55k	15k	125k	1,380k	50k		60k			
<b>Kerb &amp; Water Table</b>	80k		70k		100k					
<b>Reseals</b>										
<b>Resheet</b>										
<b>Road Reconstruction</b>	160k	625k	700k	20k		2k	225k			
<b>Stormwater</b>		280k	100k							
<b>TOTAL</b>	<b>538k</b>	<b>1,118k</b>	<b>1,064k</b>	<b>1,469k</b>	<b>582k</b>	<b>106k</b>	<b>285k</b>	<b>46k</b>		

### Notes and Assumptions

- Capital Project (renewal & new) forecasts are based on Council's 10-Year Major Roads & Infrastructure Report
- Council's priority is to fund the maintenance of existing infrastructure ahead of extending or upgrading infrastructure in order to maximise Council's financial resources
- Unit rates will be reviewed on an annual basis and the valuation of infrastructure assets adjusted accordingly

### Opportunities for Improvements

Council's Infrastructure data will be validated during 2018-2019 and represented visually in Council's mapping program. Live links from Council's asset driver, AssetMaster, to the mapping program, will also be established and maintained.