



Works are well underway to revamp the beautiful Mannering Park foreshore. Council is installing a half metre sandstone wall, cobblestone beach and grassed area. The \$127,000 works are to protect the tree roots along the foreshore and improve the look of the area.

Business Paper

ORDINARY MEETING

24 November 2010



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MEETING NOTICE

The **ORDINARY MEETING**
of **Wyong Shire Council**
will be held in the **Council Chamber**,
Wyong Civic Centre, Hely Street, Wyong on
WEDNESDAY 24 NOVEMBER 2010 at 5.00 pm,
for the transaction of the business listed below:

OPENING PRAYER

ACKNOWLEDGEMENT OF COUNTRY

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At the conclusion of the meeting and at the discretion of the Mayor, Council may meet with staff in an informal, non-decision making mode for a period of no more than 30 minutes.

Michael Whittaker
GENERAL MANAGER

7.2 Tuggerawong Retirement Village

TRIM REFERENCE: F2004/07189 - D02395735

AUTHOR: Devini Susindran, Financial Accountant, Financial Planning
MANAGER: Greg Ashe, Manager Finance

SUMMARY

Council has received a request from the Don Small - Wyong Lions Club Tuggerawong Retirement Village to waive final repayment of Council's loan.

RECOMMENDATION

That Council:

- 1 ***Postpone the repayment of the loan and accruing interest from the Tuggerawong Retirement Village for a period of two years on the condition that any re-tenanting fees is utilised on repayments.***
- 2 ***Continue to accrue interest on the outstanding balance until the loan is extinguished.***
- 3 ***Set monthly interest rates on any outstanding balance at an equivalent to rates on Council's lost investment opportunity or at a minimum equivalent to the 90 day bank bill swap reference rate.***

BACKGROUND

The Don Small - Wyong Lions Club Tuggerawong Retirement Village was originally set up following a donation of land from ex-Councillor Don Small and a Federal grant for the construction of self care units and operates with a voluntary board of management that carries out the day-to-day administration through an administrator.

The administrator utilises funds for the maintenance and landscaping of the village with the residents of the village being charged a one-off entrance fee of \$35,000 (2008/2009 fee) and a minimum fortnightly rent. The Retirement Village is self funding over the life of its operation. The Retirement Village is made up of 23 self care units and the majority of funding for the village income is through re-tenanting of the units and the subsequent investment of funds received from new residents. The units are only able to be re-tenanted when vacancies occur either through the death of a resident or transfer of residents to care facilities.

In July 2003 Council approved a loan of \$200,000 with bank interest, to the 355 Committee of the Don Small - Wyong Lions Club Tuggerawong Retirement Village for the construction of an additional two (2) self care units. The loan was to be repaid in annual instalments of \$40,000 plus interest, over a period of 5 years.

7.2 Tuggerawong Retirement Village (contd)

As the life span of residents has increased there has been a corresponding decrease in revenues normally received from new residents. Whilst this is affecting the cash flow projections for the Village in the short term it is unlikely to affect long term viability.

Deferment on repayment was granted by Council at its meetings on 9 November 2005 and 11 March 2009.

Since the inception of the loan of \$200,000 in 2003, interest charges of \$11,080 and Capital of \$40,000 was repaid prior to the first Council deferment in November 2005. Since January 2006, income from re-tenanting has been \$219,921.27 of which \$150,000 has been repaid in addition to interest payments of \$41,959.81. Major plumbing and electrical maintenance work was carried out in the village but the loan and interest payments have delayed further maintenance work in the village.

At 30 June 2010 the balance outstanding of the loan was \$10,000.00 and accrued interest of \$929.23. The administrator of the village has requested that Council waive the final repayment of the loan to assist with further maintenance work on Council Assets, including maintenance of building standards.

In addition the administrator has advised the following:

- Re-tenanting :
The current financial position of the village is that there are no units available for re-tenanting.
- Cash flow:
The Retirement village relies on the entry fee to repay the loan from council. Routine maintenance work is carried out using annual fees charged to tenants. However non-routine maintenance needs to be carried out to the fascias, barges and handrails of the units with an estimated cost of \$13,000.

THE PROPOSAL

Council over the last five years has granted the Retirement Village a number of extensions on the repayment of the original loan as their was always the opportunity for revenue raising. For Council to now waive the last instalment due would mean that Council is directly subsidising a self funding organisation that has potential to raise revenue in the future. It is therefore proposed that Council continue to accrue interest on outstanding balance and defer loan repayment for a two year period, on the condition that re-tenanting fees as and when received are used to repay loan

OPTIONS

- Option 1
Grant waiver as requested to assist with carrying out maintenance work as required to maintain building standards.
- Option 2
Continue to accrue interest on outstanding balance and defer loan repayment for a two year period, on the condition that re-tenanting fees as and when received are used to repay loan.

STRATEGIC LINKS

Annual Plan

Principal Activity	Strategy or Program	Financial Line Item No and Description
A More Sustainable Community	Providing good community based housing for retirees	1.1.6 community building maintenance and operation

The proposal does not affect the annual plan, as interest is charged on a rate equivalent to current interest rates earned by Council.

Contribution of Proposal to the Principal Activity

The retirement village operates independently managed by a Sec 355 committee, and provides a more sustainable community through the housing of retirees. The postponement of loan repayments will assist with carrying out needed maintenance work at the retirement village.

Link to Shire Strategic Vision

<i>Priority Objective</i>	How the proposal contributes or links to the Priority Objectives in Shire Strategic Vision and Annual Plan
Communities - Communities will be vibrant, caring and connected with a sense of belonging and pride in their local neighbourhood.	Maintenance of these assets is important in providing an affordable service to the older generation of the community.
Facilities and Services - Communities will have access to a diverse range of affordable and coordinated facilities, programs and services.	The facility provides access to affordable retirement housing

Financial Implications

The proposal does not affect the annual plan, as interest is charged on a rate equivalent to current interest rates earned by Council.

Principles of Sustainability

The maintenance of the facility assists with providing a community based facility for the elderly assisting with sustaining Wyong Shire in engaging with community to provide services.

CONSULTATION

Consultation occurred between Council staff and the Administrator of the Tuggerawong Retirement Village to identify the problem and to identify options to overcome the problem.

GOVERNANCE

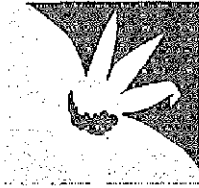
Does not affect Council's policies and Procedures

CONCLUSION

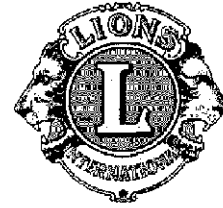
Based on available information a postponement of the final payment of the loan and accrued interest owed to Council by Tuggerawong retirement Village and its Sec 355 Committee, is the most viable solution (subject to conditions outlined above). The committee and the village should operate in a financially self sufficient manner.

ATTACHMENTS

- 1 Ask waive balance loan - \$10,929.23 - funds needed for maintenance - D02296280
Tuggerawong Retirement Village



Don Small—Lions Club of
Wyong Inc.
Tuggerawong Retirement Village.
ABN 47 054 613 735 (003)



Wyong Shire

Lions Clubs International.

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The General Manager
Wyong Shire Council
PO Box 20
Wyong NSW 2259

Tuggerawong Retirement Village
S355 Committee

Dear Sir/Madam

Loan for Community Centre

I refer to the outstanding amount of \$10,929.23 repayable to Council in respect of the loan of \$ 200,000 for the construction of the community building at the Tuggerawong Retirement Village complex at Cadonia Road Tuggerawong.

The management of the complex is pursuant to Section 355 of the Local Government Act on the basis that council own the facility and accordingly it is on behalf of Council that this community hall on the site has been provided to the residents of the retirement village.

The Section 355 Management Committee due to the age of the facility has many issues to attend to ensure the maintenance of council's asset and the standard of buildings and the surrounds to make the premises an attractive cost effective retirement complex.

Funds available to the Section 355 Management Committee for maintenance are derived from the entry fees payable by potential tenants when units become available and there after the minimum rent received from the residents. If these funds are then diverted to loan repayments, there will be no funds for maintenance.

The Section 355 Management Committee, for the Tuggerawong Retirement Village hereby request that on the basis of the loan was for the purpose of providing a community hall and as the major proportion of the \$200,000 has already been repaid and as funds are required to maintain this valuable Council asset, requests that Council waive the requirement for the repayment of the outstanding amount of the loan.

I look forward to your favourable consideration of this matter.

Yours faithfully

George Kinealy
Tuggerawong Retirement Village
9th July, 2010

7.3 Alcohol Free Zone - The Entrance North

TRIM REFERENCE: F2004/06079 - D02413312

AUTHOR: Jacquie Elvidge, Administration Assistant
MANAGER: Lesley Crawley, Manager Governance and Administration

SUMMARY

A proposal to establish an Alcohol Free Zone (AFZ) within The Entrance North has been advertised and is submitted for approval.

RECOMMENDATION

That Council formally adopt the proposal to establish an Alcohol Free Zone at the following location for a period up to 30 June 2013:

The Entrance North: To include Hutton Road, The Entrance North and all roads leading to it from Wilfred Barrett Drive (Central Coast Highway) - Hargraves Street, Roberts Street, Stewart Street, Florida Street, Manly Parade, Bondi Road, Coogee Avenue, Simpson Street and Scribbly Gum Close

BACKGROUND

At its meeting held on 13 October 2010, Council considered a report concerning the establishment of an AFZ at The Entrance North and resolved the following:

"RESOLVED unanimously on the motion of Councillor MCBRIDE and seconded by Councillor WEBSTER:

- 1 That Council prepare a proposal for the establishment of an Alcohol Free Zone at the following location for a period up to 30 June 2013:*

The Entrance North: Including Hutton Road The Entrance North and all roads leading to it from Wilfred Barrett Drive (The Central Coast Highway), as well as Hargraves and Simpson, Florida and Stewart Streets.

- 2 That Council complete the required public consultation process and advise the NSW Anti-Discrimination Board of the proposal.*
- 3 That Council determine the extension of the Alcohol Free Zone upon receipt of a report at a later date, following the public consultation process.*

FOR: COUNCILLORS BEST, EATON, GRAHAM, MATTHEWS, MCBRIDE, MCNAMARA,
SYMINGTON, VINCENT, WEBSTER AND WYNN

AGAINST: NIL"

THE PROPOSAL

The proposal was advertised in the Central Coast Express Advocate on 3 November 2010 and no objections were received during the statutory 14 day period.

It is now proposed to establish the AFZ.

OPTIONS

- 1 Approve the proposal of the AFZ. The evidence of social behaviour improvement since the introduction of AFZs is clear and has received favourable support from Police. Continuation of the AFZs is desirable if continued improvement in behaviour is to be achieved.
- 2 Refuse the proposal of the AFZ. This action would certainly result in an increase in complaints regarding anti-social behaviour in the area concerned and may be an unpopular decision with the Police.

STRATEGIC LINKS

Annual Plan

Priority Objective 1 – Communities

Communities will be vibrant, caring and connected with a sense of belonging and pride in their local neighbourhood.

Ongoing Services

Council aims to provide a range of services to enhance the quality of the Shire's residents (both now and in the future).

Community Safety

- * In partnership with the NSW Police, conduct safety audits in key hot spots and implement crime prevention strategies
- * Support Community Drug Action Teams and programs to reduce the incidence of vandalism across the Shire

Principles of Sustainability

AFZs act as a deterrent for anti-social behaviour to improve and maintain safety, wellbeing and sense of community.

CONSULTATION

The Tuggerah Lakes Local Area Command of the NSW Police has advised it supports the proposal of the AFZ at The Entrance North.

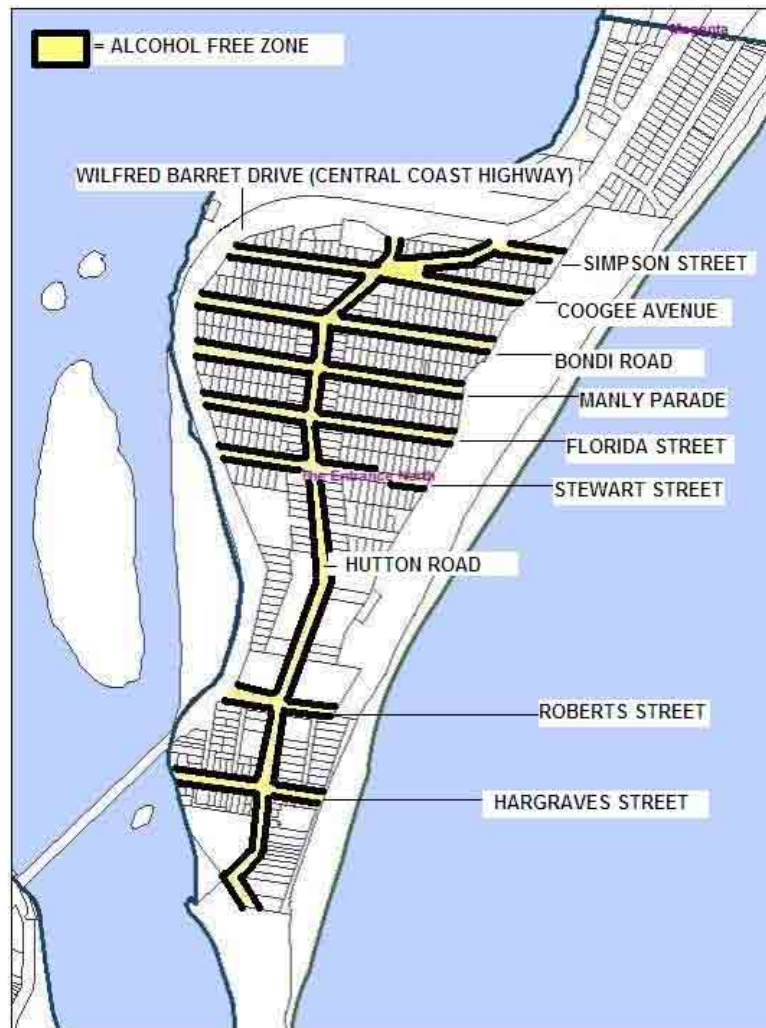
The local Police Command considers these zones will continue to aid Police in controlling anti-social behaviour, minimise the disturbances that can be caused by drinking of alcohol in public places and create a better environment for the residents of the areas.

GOVERNANCE

The proposal is in accordance with section 632 of the Local Government Act. The procedures outlined in the Ministerial Guidelines are addressed.

It should also be noted that Council owned land such reserves and cycle ways are not classified as a public road or car-park and therefore cannot be included within an Alcohol Free Zone. However, under section 632 of the Local Government Act ordinance signs are located on these properties which prohibit amongst other things, the consumption of alcohol.

LOCALITY PLAN



CONCLUSION

This proposal aligns with the principles of, Council's Priority Objective 1 – Communities, through the implementation of a crime prevention strategy which aims to reduce the incidence of vandalism across the Shire. Council may now resolve to establish the AFZ within The Entrance North area to expire on 30 June 2013, the common date of expiry established for AFZ's within the Shire.

ATTACHMENTS

Nil.

7.4 Funding and Cost of Link Road Construction

TRIM REFERENCE: CPA/160794 - D02421657

AUTHOR: Katrina Kerr, Senior Project Manager, Contracts and Special Projects
MANAGER: Mike Long, Manager Contracts

SUMMARY

The Construction of the northern section of the Link Road is the most significant new road construction undertaken by Council in recent times. Its completion has positive implications for future development of the region. Council appointed NSW Public Works (NSWPW) as project manager for the project.

This report reviews project performance, advises the estimated total final cost of this section and the plans to effect completion of the work.

RECOMMENDATION

- 1 That Council endorse payment of variations approved to date under the contract for CPA/160794 – Construction of Northern Section of Link Road.**
- 2 That Council approve additional funding to increase the construction contract amount for CPA/160794 from \$8,711,245.88 (including contingency amount and excl GST) to \$10,800,000.00 (excl GST).**
- 3 That Council approve additional funding to increase the amount required for all project activities, including the construction contract, in the amount of \$3,600,000.00 (excl GST), with this funding to be provided as detailed in this report.**
- 4 That Council review the feasibility of the concept to complete the whole of the Link Road Project.**

BACKGROUND

At its Ordinary Meeting held on 14 October 2009 Council resolved unanimously, in part, on the motion of Councillor GRAHAM and seconded by Councillor WYNN:

- "1 That Council accept Tender Number 4 from Robson Civil Projects Pty Ltd in the estimated combined Schedule of Rates and Lump Sum total amount of \$7,919,245.88 (excl GST).*
- 2 That Council approve a contract budget of \$8,711,245.88 (excl GST) that provides for a contingency amount of \$792,000.00 (excl GST), representing approximately 10% of the contract value, to provide for any unforeseen additional works that may become necessary during the course of the project.*

- 3 *That Council support lobbying of the Roads and Traffic Authority to contribute to the cost of the intersection reconstruction works on Sparks Road at its intersection with the Link Road.”*

FOR: COUNCILLORS BEST, EATON, GRAHAM, MATTHEWS, MCBRIDE, MCNAMARA,
SYMINGTON, VINCENT, WEBSTER AND WYNN

AGAINST: NIL”

This report specifically deals with Resolutions 1 and 2 above. In relation to Resolution 3, a submission to the RTA will be undertaken once all costs are finalised.

This report addresses the matter of additional expenditure incurred on the project (a large portion of which was out of Council's control) and the amount of those project costs that apply to the construction contract. The nature of the increased expenditure and steps taken to remodel the funding profile are also discussed.

The construction of the northern section of the Link Road is the most substantial new road construction undertaken by Council in recent times. The completion of this first stage of the Link Road will provide access to Council-owned developable land to the south of Lakes Grammar School. The development of this land will provide significant economic and employment prospects for the region and a potentially significant income for Council from its sale. The ultimate completion of the Link Road also has broader regional significance as a major transport corridor between Warnervale and Wyong, to cater for the significant residential, commercial and employment growth in the Warnervale Planning District. It will help promote development in the Warnervale Planning District, provide an efficient transport corridor for bus servicing and ensure that the regional road network has the capacity to safely handle the increased traffic generated by the future development in this area. The completed Link Road will also reduce traffic congestion on the Pacific Highway.

The project was complex with significant design, environmental, traffic management, public utility and construction issues to be managed. The need to accelerate the project's design and tendering timeframe, to secure a Federal Government grant, contributed to the project challenges. Ensuring expenditure of the Grant funds within the specified timeframe required fast tracking of designs, tender documentation and the calling of construction tenders before receiving RTA design approvals for the works under RTA jurisdiction and resolving associated public utility adjustment impacts.

Council appointed NSWPW as the project manager. The Link Road project formed one of the core projects in the 5 year contract between Council and NSWPW for the provision of project management services. NSWPW was responsible for the investigation, design, procurement and construction management phases of the project.

CURRENT STATUS

The original budget for the total project was \$11.9 million, comprised of a \$5.5 million Federal Government grant and Section 94 developer contribution funds of \$6.4 million

Works completed to date under NSWPW project management include:

- Planning, investigation, environmental and design consultancies provided by Connell Wagner/Aurecon for the full 3.2 km length of the Link Road from Warnervale to Watanobbi.
- Civil construction work by Robson Civil Projects Pty Ltd (RCP) to upgrade the Link Road intersection with Sparks Road.

- Civil construction work by RCP to create the one kilometre northern section from Sparks Road south to the entrance of Lakes Grammar School senior campus.
- Relocation of public utilities by RCP, Energy Australia and Jemena (associated with a high pressure gas main) for the northern section of the road.

Substantial increases in the cost of the project have occurred. Wherever possible, steps have been taken to offset these costs. However, a number of significant areas of cost increases have occurred that were outside Council's control after the contract was let. These have included:

- late design changes by the RTA
- a high volume of unsuitable ground
- relocation of a high pressure gas main by Jemena
- installation of provisions for future water and sewer mains
- replacement of a leaking section of the Hunter Connection Water Trunk Main
- the project management fee sought by NSWPW.

The possibility of recouping some of these costs from the relevant parties is being investigated.

The construction contractor, RCP, has been commendably co-operative and flexible in accommodating the difficulties presented to its construction activities by these issues.

The assessment of the value of contract variations under the construction contract with RCP formed part of the NSWPW project management duties. Management of this function by NSWPW was delayed by the significant effort required by NSWPW to manage resolution of design and construction issues and problems associated with a leaking section of the Hunter Connection Trunk Water Main. There was a concerted effort by NSWPW to manage the resolution of design and on-site construction problems. This effort mitigated the risk to Council of further potential extra costs from these problems. However, the valuation of variations was not undertaken by NSWPW until the latter part of the RCP contract. This delay also meant that detailed, progressive reporting of variations to Council through the monthly Contract Variation and Finalisation Report process has not been possible.

Another consequence of the delay has been that contract payments have been made "on account" and subject to adjustment when the valuation of variation claims is completed. Staff were concerned about the resulting uncertainty of the final project costs and made decisions to defer some components of the project to help contain that cost. Those deferrals involve the subsequent and planned review of the Part V assessment requirements as applying to this first stage of the road.

Notwithstanding the deferment from this stage of the Link Road project of major components such as the noise wall, shared concrete pathways, additional street lighting and landscaping, the estimated project final costs have significantly exceeded the budget.

AREAS OF ADDITIONAL COSTS

The following information has been prepared to provide Council with a complete overview of the project's variations and increase in costs to date. It is emphasised that at the time of this report, some construction activities are still proceeding or yet to commence. As such, the predicted final cost identified in this report, while not expected to change significantly, is still an estimate.

The areas of additional cost have been grouped into the following five principal areas:

1. Consultants
2. Construction
3. Project Management
4. Land Matters
5. Authorities, Legal Costs, Disbursements

Full details of all variation costs under the construction contract with RCP are shown in Attachment 1.

A summary of each area of cost is provided in Table 1. All figures exclude GST.

Table 1 Project Expenditure

Expenditure Category	Service Provider	Service	Original Budget \$	Predicted Final Cost \$	Surplus or Deficit \$
Consultants	Aurecon	Revise design and tender docs (mainly due to RTA changes)	100,000	149,393	-49,393
	UEA Electrical	Electrical design	25,000	35,970	-10,970
	RTA	RTA Surveillance	25,000	35,000	-10,000
	Aurecon	Construction design advice	0	110,580	-110,580
	Contingency for consultants	Aurecon, UEA and others	5,000	0	5,000
	Aurecon	Previous investigation and design for full road length	2,000,000	2,044,345	-44,345
	Total consultants		2,155,000	2,375,288	-220,288
Construction	Robson Civil Projects	Civil construction	8,711,246	8,888,066	-176,820
	Electrical contractor	Street lighting	150,000	352,300	-202,300
	Jemena	Relocation of HP gas main	225,000	521,206	-296,206

7.4

Funding and Cost of Link Road Construction (contd)

Expenditure Category	Service Provider	Service	Original Budget \$	Predicted Final Cost \$	Surplus or Deficit \$
	Landscaping contractor	Landscaping, screening	100,000	73,398	26,602
	Conservation off-sets	Comply with REF	50,000	75,000	-25,000
	Robson Civil Projects	Replacement of leaking Hunter pipe	0	571,588	-571,588
	Robson Civil Projects	Consequential costs of leaking pipe	0	742,934	-742,934
	Robson Civil Projects	Replace asbestos water main	0	330,000	-330,000
	Robson Civil Projects	Conduits for future services	0	267,412	-267,412
	RTA	Traffic signals	88,754	150,000	-61,246
	Council	Restore 'Warnies' park	0	32,000	-32,000
	Contractor	Masked Owl fence	0	100,000	-100,000
	Contractor	Secure and manage spoil stockpile (beneficial use is a separate future project)	0	30,000	-30,000
	Total construction		9,325,000	12,133,904	-2,808,904
Project Management	Wyong Council	Project Management	30,000	230,000	-200,000
	NSWPW	Project Management	334,500	705,217	-370,717
	NSWPW	Site surveillance	50,000	45,000	5,000
	Total Project Management		14,500	980,217	-565,717
Land Matters	Barry Hunt Associates	Survey fee	2,000	3,000	-1,000
	WSC Property Unit	Fee for creation of	2,500	2,500	0

7.4 Funding and Cost of Link Road Construction (contd)

Expenditure Category	Service Provider	Service	Original Budget \$	Predicted Final Cost \$	Surplus or Deficit \$
		road reserve			
	Total Land Matters		4,500	5,500	-1,000
Authorities, Legal Costs, Disbursements	Energy Aust	Monopoly fees	0	3,823	-3,823
	Kingsway	Financial assessment	1,000	1,268	-268
	Total Legal Costsetc		1,000	5,091	-4,091
PROJECT TOTAL			11,900,000	15,500,000	-3,600,000

The estimated total project cost increase over the original approved budget is \$3,600,000 (excl GST).

FUNDING PROPOSAL

The total amount of the increased costs is \$3,600,000 (excl GST).

In the "Construction" section of Table 1 the following costs are identified associated with work that is appropriately funded by the Water Fund and Section 64 developer contributions for water infrastructure:

Water Fund (OPEX)

- Replacement of leaking section of Hunter pipeline \$571,588
 - Consequential costs to road construction of leaking Hunter pipeline \$742,934
- \$1,314,522

Section 64 Developer Contributions

- Replace and upsize asbestos water main \$330,000
 - Conduits under the road for the provision of future water mains \$267,412
- \$597,412

TOTAL \$1,911,934

Budget amount allowing a contingency for remaining works, \$ 2.0 million

It should be noted that the Water Fund (OPEX) funding of \$1,314, 522 (excl GST) for the leaking Hunter Link Pipeline and consequential costs is eligible for joint 50/50 funding by Wyong Shire and Gosford City Councils under the Joint Water Authority. Gosford Council has been advised of its required funding contribution. The budget implication of Wyong Council's share is a funding requirement of \$657,261 (excl GST) or approximately \$0.7 million allowing for a contingency.

The feasibility of full or partial cost recovery from parties responsible for the leaking section of the Hunter pipeline is under investigation. The pipeline was constructed four years ago and the contract was finalised three years ago.

The adoption above of a total cost increase of \$3.6 million (excl GST) with \$2.0 million (excl GST) payable from the Water Fund leaves the remaining required additional funds, in the amount of \$1.6 million (excl GST), to be allocated from the General Fund.

It is proposed to remodel the project profile so that funding and land use better align with development intentions that are clearer now than at the time this project was first conceived several years ago.

Several funding options were considered, as follows:

Option 1 – Allocate Proceeds of Sale of Land

Sale of land to the east and south of the newly constructed northern section of the Link Road has been considered. A portion is zoned (2A) Residential and may be developed and marketed, or sold with development potential. Given that the project requires immediate cashflow, particularly for contract payments, the timeframe for this source of funding does not align.

Option 2 – Allocate Roads and Drainage General Revenue Funding

The option of reallocating funds from the current program for roads rehabilitation and maintenance was reviewed. This option was not considered viable as it would impact unfavourably on workforce resources and the condition of Shire roads.

Option 3 – Reduce Scope of Work

The current scope of work constructed has already been reduced by deferring some works that are not required for the immediate use of the road. This has included the extent of shared footpaths and an acoustic wall. While these items of work will eventually be required when the Link Road connects through to Watanobbi in the future, the current traffic and pedestrian load on the road is low, allowing these items to be deferred. The deferral of these works means that Part V assessment requirements have not been fully met and will involve an amended Part V assessment process. These matters are discussed in more detail in the next section of this report. Reducing the scope of work further was considered, but rejected in order to maintain public safety and amenity.

Option 4 – Allocate Additional Section 94 Funds

Given the assessment of the above options, Section 94 funds are considered to be an appropriate source of additional funding even though there is considerable pressure on this source.

Because those funds are limited, it is proposed to improve their liquidity by \$1,000,000 by having the General Fund purchase land that was originally purchased from S94 funds, at 2-6 Margaret Street, Wyong that is now proposed for uses other than that originally planned when it was purchased. That land will then be freely available for Council to use as it chooses. The remaining amount will be made available by deferring other S94 works.

Funds for the purchase will come from the land reserve. The liquidity position of the land development reserve will also be improved by deferring some land development work associated with a future land sale until next financial year.

The impact of deferred Section 94 work on the planned use of council's staff and plant resources will be managed by carrying out some planned land development work by direct control (see more detail in the section titled Financial Implications below).

OTHER ISSUES

The project involved a number of matters to reduce its environmental impact, as part of the Part V assessment. The following table identifies those have not yet been completed and the plans to deal with them.

Noise and Vibration	Issue	Comment
The noise level at properties 2-4 exceed the criteria of LAeq(1hr) 60 daytime. To attenuate the traffic noise to these noise receivers a two meter noise barrier is required along the eastern side of the link road from Albert Warner drive, south to the proposed roundabout	Noise wall not constructed.	Proposed deferral to be involved in an amended Part V assessment process
Council may consider an additional 1 m height (3 m total height) for the noise wall to further mitigate noise levels against predicted volumes or to provide insurance in the event of an increase in traffic volumes over that predicted.	Noise wall not constructed.	Future consideration
Flora and Fauna		
<i>Design</i>		
Compliance with the recommendation of the report 'Review of Issues Relating to the Masked Owl', prepared by Michael Murray - Forest Fauna Surveys Pty Ltd dated 2 December 2005 as relevant to the northern section of the proposed road. Details of how compliance with these reports will be achieved is to be documented in the CEMP and approved by Council's Development Assessment Unit prior to commencement of works.	Not completed.	In hand as part of the current project. Yet to build fence on the eastern side of road
Incorporation of wire link fencing to 1.8 m height to exclude terrestrial fauna from crossing Link Road	Fencing only provided to one side of road.	In hand to complete
Oil/grease trapping devices to decrease pollution impacts into natural watercourses.	No evidence of compliance	Need for devices to be reviewed as part of an amended Part V assessment process
In order to manage high ground watertables to maintain Parramatta Red Gum health, construction of a wetland/sediment basin or a series of them, combined with a grease and oil collection pit, should occur along the edge of the road to allow uncontaminated run-off to infiltrate back into the watertable through the soil, facilitated by low flow pipes across pipe pit.	Not completed	Part completed. Need for devices to be reviewed as part of an amended Part V assessment process

Noise and Vibration	Issue	Comment
Where vegetation is required to be removed, compensatory planting at a ratio of two plantings for every one plant removed (2:1 compensation ratio) is to be established at strategic areas, as outlined in the Conservation Offsets Report (COR). Where Parramatta Red Gums are removed, compensatory plantings are to include Parramatta Red Gum seedlings sourced from the study areas population.	No apparent compliance	Matter of compliance through conservation offsets to be reviewed in an amended Part V assessment process
Design of seepage pits at the northern end should occur to provide groundwater in substrata for Parramatta Red Gum Woodland EP.	No apparent compliance	Matter of compliance to be reviewed in an amended Part V assessment process
<i>Pre-construction</i>		
Immediate planting of dense shrubs (<i>Eucalyptus</i> , <i>Acacia</i> , <i>Callistemon</i> and <i>Melaleuca</i>) along the northern section of the route to provide screening.	No evidence of compliance	Compliance in hand
A Habitat Restoration Plan (HRP) has been developed for the overall project to provide a strategic approach to rehabilitating the impacts of the Link Road and water main. The HRP includes: <ul style="list-style-type: none"> – Removal and control of weeds – Ongoing track maintenance – Sediment and erosion control – Landscaping of areas outside of the off road portion of the cycleway, which should include importing suitable local soil to remediate areas of compacted soils, utilise mulch from trees that require removal – Strategic plantings to compensate for vegetation removal, as outlined in the COR. Plantings should be sourced from local seed and should aim to replicate species assemblage and structure of the surrounding vegetation. Winter flowering species (i.e. Spotted Gum, Swamp Mahogany and Broad-Leaved Paperbark) are preferred. 	HRP prepared but level of compliance not confirmed	Need to review those parts of the HRP that apply to this first stage and those that apply in the future
<i>Construction</i>		
Implementation of HRP.	No evidence of compliance	Need to review those parts of the HRP that apply to this first stage and those that apply in the future
<i>Water Quality</i>		

7.4 Funding and Cost of Link Road Construction (contd)

Noise and Vibration	Issue	Comment
Revegetation of batter slopes with appropriate native vegetation.	No evidence of compliance	In hand to comply within available budget
Visual Impact		
Early planting of screening vegetation recommended in the landscape plan, to enable the vegetation to gain maturity and size.	No evidence of compliance	In hand to comply within available budget

The REF lodged as part of the Part V assessment identified an area of council land to be transferred as a conservation offset. To demonstrate council's commitment to the environment, the land will be made available at no cash cost. A Voluntary Conservation Agreement has been submitted to DECCW for endorsement.

A volume of spoil has been generated by the work. It is proposed to include a new project, in Council's Annual Plan for 2011/12, to use that spoil on site, to add value to the land and the environment by constructing an earthen acoustic barrier and other land restoration work that will add value to the land's future development potential. This will be a new project with a new Part V assessment required.

STRATEGIC LINKS

Annual Plan

Principal Activity	Strategy or Program	Financial Line Item No and Description
A More Sustainable Community	Nil Impact	
A More Sustainable Economy	Nil Impact	
A More Sustainable Environment	Nil Impact	
Infrastructure	Secondary Roads Construction	4.1.3
Organisation	Nil Impact	

Contribution of Proposal to the Principal Activity

The Link Road will ultimately join the existing roundabout at the junction of the Pacific Hwy and Britannia Dr, Watanobbi to Sparks Rd at Warnervale, a length of 3.2 km. The road is needed to provide an important regional connection between Warnervale and Wyong to cater for the significant residential, commercial and employment growth in the Warnervale Planning District. It is strategically needed to promote development in the Warnervale Planning District, to provide an efficient transport corridor for bus servicing and to ensure that the regional road network has the capacity to safely handle the increased traffic generated by the existing and future development in this area. It is essential in the future to minimise

7.4 Funding and Cost of Link Road Construction (contd)

traffic congestion on local roads and the Pacific Highway, which is one of the top ten congestion points within Wyong Shire.

Link to Shire Strategic Vision

Priority Objective	How the proposal contributes or links to the Priority Objectives in Shire Strategic Vision and Annual Plan
Communities - Communities will be vibrant, caring and connected with a sense of belonging and pride in their local neighbourhood.	Nil Impact
Travel - There will be ease of travel within the Shire, and to other regional centres and cities. Travel will be available at all hours and will be safe, clean and affordable.	The construction of the northern section of the Link Road provides the first stage of an important strategic regional transport corridor linking the Warnervale Town Centre and Warnervale Employment Zone areas to the south. The construction opens potential for a future shared pathway connecting the north and south of the Shire.
Facilities and Services - Communities will have access to a diverse range of affordable and coordinated facilities, programs and services.	Nil Impact
Education - The community will be well educated, innovative and creative. People will attain full knowledge potential at all stages of life.	Nil Impact
Employment - There will be a strong and sustainable business sector and increased local employment built on the Central Coast's business strengths.	The new Link Road will serve and facilitate development of employment generation and business in the Warnervale Town Centre and Warnervale Employment Zone development areas.
Telecommunications - Information communication technology will be consistent with world's best practice and adaptive to technological advances across all sectors.	Nil Impact

Priority Objective	How the proposal contributes or links to the Priority Objectives in Shire Strategic Vision and Annual Plan
Natural Areas - Areas of natural value in public and private ownership will be enhanced and retained to a high level in the context of ongoing development.	Development of the Link Road encompasses the dedication of conservation off-sets through the establishment of a Voluntary Conservation Agreement for land adjacent to the new road, and other existing and proposed conservation areas, with high natural value for the preservation of threatened species, ecological communities and biodiversity. The identified areas will have a positive down stream effect on the important Porters Creek wetland and the Parramatta Red Gum population.
Environmental Programs - There will be a sense of community ownership of the natural environment through direct public involvement with environmental programs.	The community may be invited to participate in the future care and management of the conservation off-sets area.
Economic Development – Council provides ad range of services to strengthen the Shires economic base and provide sustainable employment opportunities.	The new Link Road provides access to Council owned land to the south of the Lakes Grammar School, which may be made available for development and sale in order to maximise financial return to Council and contribute to local economic development.

FINANCIAL IMPLICATIONS

The balance of the Section 94 reserves is currently low and due to the limited amount of development activity, contributions income is also limited. A one-off allocation of additional Section 94 funds will delay other projects proposed to be funded from this source. Given that the expenditure on the Link Road is a time-critical priority, required mainly to meet payments under the civil contract, this impact has been considered and is the recommended option.

The \$1.6million contribution from the General Fund is proposed to be funded from Section 94 funds. It should be emphasised that the level of Section 94 reserves is low and to address this situation, it is proposed to reimburse the Section 94 funds by the value of the acquisition costs for the previous purchase of 2-6 Margaret Street Wyong. These properties were previously purchased using Section 94 – Car Parking funds. However, the reimbursement of these Section 94 funds with the General Revenue funds will allow Council greater flexibility over the ultimate use of the site – although this may still include car parking as an element.

Further to the above, it is proposed to defer certain Section 94 funded projects that have been identified in this current financial year until next year. These works include the construction of Warnervale Rd over the flood plain at Hamlyn Terrace, the design of embellishment works at Halekulani Hall, the design of the Warnervale Town Centre community facilities, public art commissions and general road and drainage design works. These projects will now be considered for inclusion in next year's works programme.

Principles of Sustainability

The substantial environmental studies, undertaken during the planning and design phase, identified the importance of supporting and sustaining critical habitats and threatened species. The project has accounted for these important environmental initiatives in:

- The design of street lighting and fencing to mitigate the impact on the masked owl,
- The fencing of an access controlled conservation area which accommodates known habitat of the vulnerable large-footed myotis,
- The design of drainage structures to maintain the water level and quality for an endangered population of threatened Parramatta Red Gums, and
- The dedication of conservation offsets to preserve and sustain a community of Parramatta Red Gum, Spotted Gums and Swamp Sclerophylls.

CONSULTATION

Consultation throughout the design phase has occurred within Council with the Major Applications, Water and Sewerage, and Roads and Stormwater Units.

Consultation with regard to the project funding has been undertaken with various internal stakeholders including:

Roads and Stormwater - Consulted and concurred on need for and source of funds.

Finance - Consulted and agreed on need for and source of funds.

Economic and Property Development - Consulted and concurred on need for and source of funds, also on potential for sale of adjacent land and in relation to land for Conservation Offsets, and in relation to development of land containing stockpiles.

Future Planning - Consulted regarding the source of funds, the value of conservation areas and strategic alliance with adjoining conservation areas.

Environment & Natural Resources - Regarding future management of Conservation Offsets.

External consultation has occurred throughout the construction phase with Rail Corp, Busways, Coastal Liners, emergency services, RTA, Energy Australia and Jemena.

There has also been ongoing information provided throughout the project to local residents, and the Watanobbi Warnervale Precinct Committee.

GOVERNANCE

The project has been required to meet the requirements of a number of agencies and authorities as follows:

- **RTA** - The roadwork, traffic signalised intersections and associated drainage carried out is in accordance with RTA design requirements and construction standards.
- **Energy Australia** - The relocation of power poles and street lighting design carried out is in accordance with Energy Australia requirements
- **Jemena** - The construction methodology and relocation of high pressure gas mains.

- **Environmental Planning and Assessment Act** – The project has not fully met the conditions of its Part V Notice of Determination. An amendment to the current determination will be sought in relation to the deferment of the shared footpath and noise wall and other requirements.

CORPORATE RISKS

Failure to fund the completion of the Link Road will pose risks to Council including:

- Implications of not meeting requirements of the Federal funding grant
- Poor public relations due to failure to deliver the project
- Safety hazard in relation to an unopened road
- Potential breach of the Security of Payments Act in relation to payments to the civil contractor.

CONCLUSION

The completion of the northern section of the Link Road is an important milestone in the development of future transport networks and opens development options for Council owned land to the south.

The permanent establishment of the conservation offset areas will realise strategic, high value conservation corridors and demonstrate Council's commitment to implementing the principles of sustainable development.

Funding for the completion of the Project is critical to its success.

Project Management of this project has been undertaken by NSW Public Works on Council's behalf. A number of significant additional costs have been incurred that have been outside of Council's control. Steps have been taken to mitigate additional costs to Council, but an overall funding shortfall of \$3.6M has been identified. A remodelled funding profile to meet the funding shortfall is proposed.

ATTACHMENTS

- 1 Attachment 1 - Contract Variations (A3) Enclosure D02434990

7.5 Bicycle Racks on Buses

TRIM REFERENCE: F2004/06706 - D02423735

AUTHOR: Robert Burch, Senior Transportation Engineer, Future Planning
MANAGER: Paul Bowditch, Manager Future Planning

SUMMARY

Reporting on suitable bus routes and a timetable to trial bicycle racks on buses and the cost involved to implement a trial Bike 'n Ride program.

RECOMMENDATION

- 1 That Council receive the report on Bicycle Racks on Buses.**
- 2 That Council staff liaise and negotiate with local bus operators and their Unions to identify possible barriers and identify solutions to trialling a Bike 'n Ride program.**
- 3 That Council forward a letter to the Minister for Transport and the Local Member for Wyong and Secretary to the Minister for the Central Coast requesting Transport NSW agree to and fund a trial Bike 'n Ride scheme in Wyong Shire.**
- 4 That Council request grant funding from Transport NSW, in the order of \$30,000, to fund a Bike 'n Ride trial program.**

BACKGROUND

Council at its meeting held on 28 July 2010 resolved the following:

"RESOLVED unanimously on motion of Councillor Wynn and seconded by Councillor BEST:

- 1 That council report on a proposal for a pilot plan that identifies some suitable routes and a timetable to trial bicycle racks on buses and forward this to the NSW State Transport and our local bus companies advocating for the trial.*
- 2 That Council seek grant funding for this initiative.*

FOR: COUNCILLORS BEST, EATON, GRAHAM, MATTHEWS,
MCBRIDE, MCNAMARA, SYMINGTON, VINCENT, WEBSTER, AND WYNN

AGAINST: NIL"

In 2005, the ACT Internal Omnibus Network (ACTION), Canberra's government bus company, and the ACT Government undertook the challenge to combine cycling with bus travel through the installation of bicycle racks on buses. On 17 November 2005, a Bike 'n Ride scheme, involving the installation of bicycle racks on buses, was officially launched. In December 2007 free travel for cyclist who used the bicycle racks was introduced to encourage usage as part of the ACT Governments climate change strategy.

The Bike 'n Ride scheme was initially trialled on the inter-town routes along high frequency bus corridors linking the four main Town Centres across Canberra. ACTION currently has 211 buses (50% of their fleet) fitted with the bicycle racks.

Statistics on patronage of the Bike 'n Ride program were gathered during the free ride period, between December 2007 and June 2009. Initial usage of the scheme was low with 2,082 users in the first month (average 67 per day), with a steady increase in usage over the trial period. The maximum usage was obtained in March 2009 with 10,614 patrons using the bicycle rack system that month (average 342 per day). Towards the end of the trial period ACTION was averaging 360 users per week-day.

Surveys carried out by ACTION concluded that the Bike 'n Ride program was used by both commuters and recreational users.

Brisbane City Council has also trialled a Bike 'n Ride program. The program involved the installation of bicycle racks on buses on selected routes in the CBD. The aim of the program was to encourage healthy living and reduce the number of cars on its roads. The initial patronage was high but users became confused when they were unable to access bike racks on all services in the CBD. This lead to complaints, and as a result the Bike 'n Ride program was terminated after 3 years.

The Wyong Shire bus network is much different to that of Brisbane City. The Wyong Shire bus net work is much less confusing and less congested than that of Brisbane City. In Wyong Shire bus passengers could take advantage of bicycle racks on buses to access attractions such as cycleway paths, foreshore areas and shopping centres.

COUNCIL'S PROPOSAL

Extensive research into the usage of the Bike 'n Ride program in the ACT has found that a trial on the Central Coast may be viable. The research has shown that to maximise the number of people taking advantage of the program, the selected routes need to provide user access to populated town centres, train stations and recreational areas such as The Entrance, and the Budgewoi and Tuggerah Lake foreshores.

To ensure that riders can access all the desired locations, a trial Bike 'n Ride program would need to include both Busways and The Entrance Red Bus Service.

PROPOSED ROUTES

Busways

Busways routes linking the Budgewoi Peninsula to the Lake Haven Shopping Centre and the bus service connecting Lake Haven Shopping Centre to Wyong Railway Station are considered the most likely to attract users of the program.

7.5 Bicycle Racks on Buses (contd)

The routes identified are:-

- 1 Routes 90 & 92. Budgewoi Peninsula to Lake Haven Shopping Centre. Route 90 operates in an anti-clockwise direction and Route 92 is in a clockwise direction.
- 2 Route 80 (new service). Lake Haven Shopping Centre to Wyong Railway Station.

Attachment 1 shows the Busways service routes.

The installation of bicycle racks on buses servicing these routes would provide a significant number of passengers living in the northern extremities of Wyong Shire the opportunity to gain access to the Bike 'n Ride program. Although suburbs such as Gwandalan, Mannering Park and Chain Valley Bay do not have easy access to these services it is considered more appropriate to trial the program on a smaller area with routes to attractions such as cycleway paths, picnic areas and large shopping centres. If the trial proves successful, the program could be extended to these outer areas.

Lake Haven Shopping Centre is a central hub in the Wyong Shire bus network. The Route 80 service connects Lake Haven Shopping Centre, Wyong Railway Station and Tuggerah Shopping Centre. Implementing the Bike 'n Ride program on this route would ensure both recreational users and commuters have access to locations appealing to both.

The frequency of the above services, with the new timetables operating from 8 November 2010, will be as follows:

Route	Weekday Peak Frequency	Weekday Off Peak Frequency	Saturday Frequency	Sunday Frequency
Route 92	30 min	60 min	60 min	120 min
Route 90	30 min	60 min	60 min	120 min
Route 80	Generally 30 min	60 min	60 min	Generally 60 min

As Routes 90 and 92 service the same area, but in different directions, they effectively provide services at half the frequency identified in the above table.

RED BUS SERVICE

It is proposed to trial the Bike 'n Ride program on the Red Bus Service Routes 24 service which operates between The Entrance and Tuggerah and Wyong Railway Stations. This will provide the opportunity for both commuters and recreational users to access the cycleway paths and picnic areas along the Tuggerah Lake foreshore and shopping centres. The Entrance/Long Jetty cycleway is one of the most popular in the Shire. An access to this facility as part of the trial program is essential.

Attachment 2 shows the Red Bus Service route.

7.5 Bicycle Racks on Buses (contd)

With the new timetables operating from 8 November 2010, the frequency on the Route 24 services will be as follows:-

Route	Weekday Peak Frequency	Weekday Off Peak Frequency	Saturday Frequency	Sunday Frequency
Route 24	30 min	30 min	60 min	60 min

COST TO IMPLEMENT

It is anticipated that the number of buses required to be fitted with the bicycle racks for the trial is approximately 8. Allowing for reserve buses, it is suggested that a total of 10 buses be fitted with the bicycle racks.

It is anticipated that the total cost to supply and install the 10 bicycle racks is approximately \$15,000. There will be additional costs such as promotion, consultation and surveys. It is estimated that the total cost of the trial program will be in the order of \$30,000.

Grant funding in the order of \$30,000 should therefore be sought from the State Government (Transport NSW) to trial the program.

PROCESS TO IMPLEMENT

It is proposed to implement the proposed Bike 'n Ride trial scheme are as follows:

- 1 Liaise/negotiate with local bus operators and their Unions to identify possible barriers and identify solutions.
- 2 Forward a letter to the Minister for Transport and the Local Member for Wyong and Secretary to the Minister for the Central Coast requesting that Transport NSW trial a Bike 'n Ride scheme in Wyong Shire. The letters to include a request for grant funding, in the order of \$30,000 to fund the trial.

TIMETABLE

It is anticipated that it will take 4 to 6 months to negotiate with the bus companies and secure the Government's support to trail the Bike 'n Ride program.

If the Government is in agreement, then it is likely to take a further 3 to 6 months to implement the program.

Many barriers need to be overcome to trial the Bike 'n Ride program including resistance from the bus drivers Union, local bus companies, Transport NSW and the request for grant funding being approved.

OPTIONS

The available options are as follows:

Option 1 -That Council lobby the local bus companies and Transport NSW to trial and fund the placement of bicycle racks on the bus routes identified in this report. This is the recommended option.

Option 2 - That Council carry out surveys at High Schools, shopping centres, via Precinct Committees and Bicycle Groups and tele surveys to identify the preferred routes to trial the placement of bicycle racks on buses then lobby the local bus companies and Transport NSW to trial and fund the placement of bicycle racks on the bus routes identified in this report. Given the costs associated with this option and the relative success of the programme in the ACT, this option is not preferred.

Option 3 - Not proceed with the idea of placing bicycle racks on buses.

STRATEGIC LINKS

Annual Plan

<i>Principal Activity</i>	<i>Strategy or Program</i>	<i>Financial Line Item No and Description</i>
Infrastructure	Make submissions to the State and Federal Governments for improvements to the current public transport service and the provision of a very fast train service from Williamtown to Sydney.	Strategy 2.2

Contribution of Proposal to the Principal Activity

The provision of bicycle racks on buses will provide improvements to the current public transport service. It will provide the opportunity for bicycle riders to use their bicycle at either end of their bus journey.

Link to Shire Strategic Vision

Priority Objective	How the proposal contributes or links to the Priority Objectives in Shire Strategic Vision and Annual Plan
Travel - There will be ease of travel within the Shire, and to other regional centres and cities. Travel will be available at all hours and will be safe, clean and affordable.	Bicycle racks on buses will provide the opportunity for bicycle riders to use their bicycle at either end of their bus journey, encouraging a healthy life style and be more environmental friendly.
Environmental Programs - There will be a sense of community ownership of the natural environment through direct public involvement with environmental programs.	The proposal supports a healthy living life style and shows support for protecting and caring for the environment. It encourages the use of modes of transport other than the private car.

Financial Implications

The financial implications for Council are minimal with the proposal. Only staff time in negotiating/lobbying Transport NSW and the local bus operators is involved.

Principles of Sustainability

The proposal supports a healthy living life style and shows support for protecting and caring for the environment via supporting and encouraging the use of modes of transport other than the private car.

CONSULTATION

Staff consulted with bus builders to determine the cost to supply and install bicycle racks on buses and ACTION and Brisbane City Council to determine the success or otherwise on their "Bike 'n Ride schemes. Preliminary discussions have also been held with Red Bus Services to determine their attitude to the proposal. Red Bus Services identified that there could be resistance from the bus drivers union.

GOVERNANCE

The proposal does not affect Council's policies and Procedures.

CORPORATE RISKS

Nil

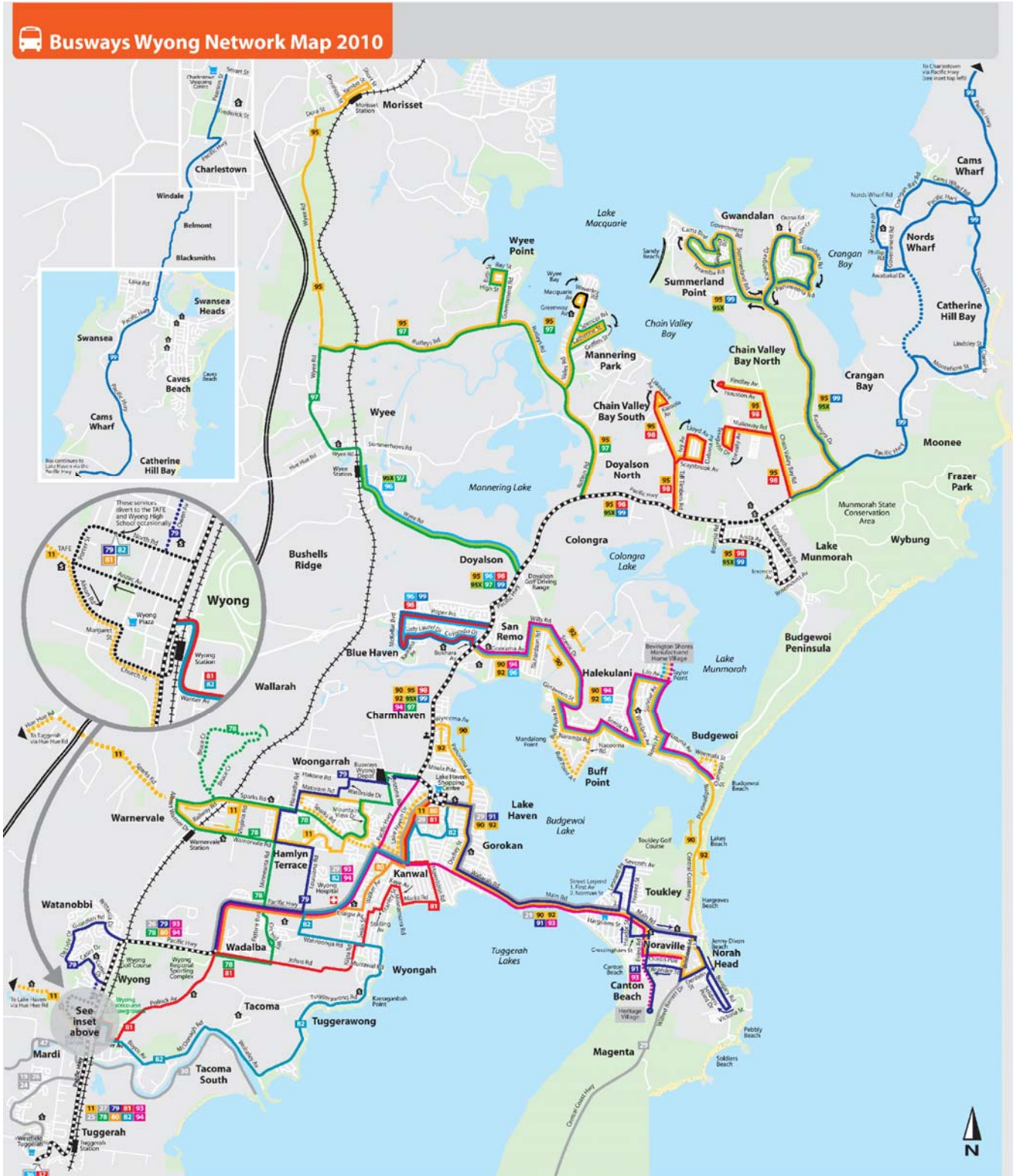
CONCLUSION

The Bike 'n Ride program has been operating in the ACT by ACTION buses for 5 years.

A trial Bike 'n Ride program in Wyong Shire, would be beneficial to many residents, particularly young people, families and commuters. The implementation would allow commuters and recreational users alike to take advantage of healthy living and provide access to many of the Shires assets including cycleway pathways, foreshore areas and shopping centres. The selected trial routes would allow travel between key transport hubs.

ATTACHMENTS

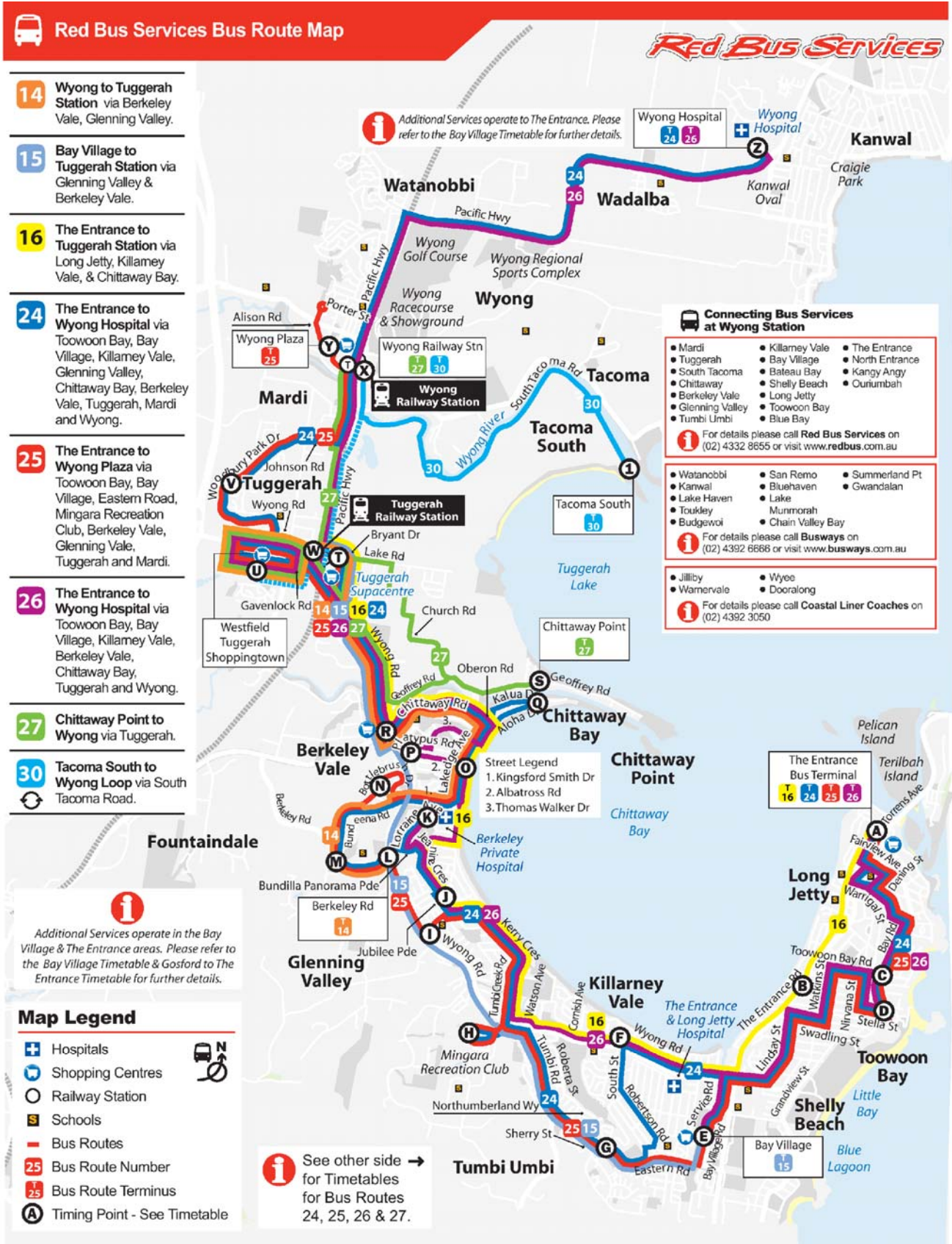
- 1 Nov 2010 - Busways Wyong network D02411041
- 2 Nov 2010 Red Bus Wyong-Entrance D02411061



- | | |
|--|---|
| <ul style="list-style-type: none"> 11 Warnervale - Woongarah (occasional trips to Wyong/Tuggerah) 78 Wyong - Tuggerah - Lake Haven via Warnervale Station & Wadalba 79 Wyong - Tuggerah - Lake Haven via Watanobbi & Louisiana Rd 80 Wyong - Tuggerah - Lake Haven via Wyong Hospital & Walker Av 81 Wyong - Tuggerah - Lake Haven via Pollock Av & Johns Rd 82 Wyong - Tuggerah - Lake Haven via Woyah & Tacoma 90 Lake Haven - Toukley - Noraville - Budgewoi - Buff Point - San Remo (anti-clockwise loop) 91 Lake Haven, Toukley, Noraville & Norah Head | <ul style="list-style-type: none"> 92 Lake Haven - San Remo - Buff Point - Budgewoi - Noraville - Toukley (clockwise loop) 93 Wyong - Tuggerah - Noraville via Toukley 94 Wyong - Tuggerah - Budgewoi via San Remo 95 Lake Haven - Gwandalan - Lake Munmorah - Morisset 95X Lake Haven - Gwandalan - Lake Munmorah - Wyee 96 Wyee - Blue Haven - San Remo - Budgewoi 97 Lake Haven - Wyee - Manning Park 98 Lake Haven - Blue Haven - Chain Valley Bay 99 Lake Haven - Blue Haven - Gwandalan - Swansea - Charlestown |
|--|---|

Legend

- Shopping Centres
- Hospitals
- Churches
- Schools
- Occasional trips
- Common route
- Bus routes operated by other operators



7.6 Proposed Councillors' Community Improvement Grants

TRIM REFERENCE: C2010/01723 - D02425375

AUTHOR: Susanna Gardiner, Administration Assistant
MANAGER: Lesley Crawley, Manager Governance and Administration

SUMMARY

Councillors propose the following allocation of funds for expenditure from Councillors' Community Improvement Grants (CCIG).

RECOMMENDATION

That Council allocate an amount of \$8,374.00 from the 2010-11 Councillors' Community Improvement Grants as outlined in the report.

BACKGROUND

Provision has been made in Council's Annual Plan for each Councillor to recommend to Council the donation of funds to individuals, local service, charitable or community organisations that operate in the Shire or provide a benefit specifically to the residents of the Shire.

Donations may also be made to individuals or groups in pursuit of excellence, including sporting and cultural excellence, subject to CCIG Policy. Funds may also be allocated for emergency assistance in the event of natural disasters such as bushfires, flood or drought anywhere in Australia, subject to CCIG Policy. The funds are granted subject to approval of the Council as a whole.

THE PROPOSAL

Under Council's Policy, all proposed allocations are subject to the approval of the Council as a whole.

OPTIONS

- 1 Approval of applications as submitted will provide a community benefit residents of the Shire.
- 2 Non approval could result in assistance not being provided to the community.

STRATEGIC LINKS

Annual Plan

<i>Principal Activity</i>	<i>Strategy or Program</i>	<i>Financial Line Item No and Description</i>
A More Sustainable Community	Enhance the quality of life of the Shire's residents	1.1.11 – Community Financial Support

7.6 Proposed Councillors' Community Improvement Grants (contd)

Contribution of Proposal to the Principal Activity

The Councillors' Community Improvement Grants were developed to help charitable community groups and in doing so helping the broader community.

Link to Shire Strategic Vision

Priority Objective	How the proposal contributes or links to the Priority Objectives in Shire Strategic Vision and Annual Plan
Communities - Communities will be vibrant, caring and connected with a sense of belonging and pride in their local neighbourhood.	Funding is available to projects not specifically nominated in Council's Annual Plan that contribute to the priority objective.
Facilities and Services - Communities will have access to a diverse range of affordable and coordinated facilities, programs and services.	Funding is available to projects not specifically nominated in Council's Annual Plan that contribute to the priority objective.

Financial Implications

Expenditure is approved until the end of the 2010-11 financial year. Unspent approvals lapse 30 June 2011.

Principles of Sustainability

The CCIG program is aligned with the principles of sustainability in that it would:

- Improve and maintain safety, wellbeing and sense of community
- Use locally available resources to increase our self-reliance
- Support local and regional economic prosperity
- Build and strengthen partnerships and alliances

CONSULTATION

Applications that met the criteria were distributed to Councillors for their consideration.

GOVERNANCE

All expenditure recommended is permissible under Section 24 and 356(1) of the Local Government Act 1993.

CORPORATE RISKS

Nil impact.

CONCLUSION

The proposed allocations contained in this report are permissible under the Council's policy on Councillors' Community Improvement Grants. The process has been correct and Council may confirm the grants at its option.

7.6 Proposed Councillors' Community Improvement Grants (contd)

Councillors' Community Improvement Grants 2010-11

COUNCILLORS' COMMUNITY IMPROVEMENT GRANTS ALLOCATION	Best	Eaton	Graham	Matthews	McBride	McNamara	Symington	Vincent	Webster	Wynn	SUB TOTAL
Allocation 01/07/2010 - 30/06/2011	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	150,000
Expenditure up to and including Ordinary Council Meeting of 10/11/10	3,100	3,150	5,050	7,049	2,950	750	900	2,650	1,950	2,250	29,799
Available allocation as at 10/11/10	11,900	11,850	9,950	7,951	12,050	14,250	14,100	12,350	13,050	12,750	120,201
Proposed Allocations for 24 November 2010											
Bateau Bay PCYC (\$800)				100						200	300
Kanwal Public School (\$2,000) (\$1,650 already resolved)	200									150	350
Lions Club of Gwandalan Inc (\$2,000)	200						750	800		200	1,950
Lions Club of Toukley (\$1,874)	200			500				874		200	1,774
NSW Justices Association Tuggerah Lakes Inc (\$2,000)	200	200		200						500	1,100
The Lakes Surf Lifesaving Club (\$2,000)	500							500		200	1,200
The Sunflower Connection Inc (\$2,000)	200	200						600		300	1,300
The Troubadours (\$500)	100	100								200	400
Total Proposed Allocations for 24/11/2010	1,600	500	0	800	0	0	750	2,774	0	1,950	8,374
Total Accumulated Allocations as at 24/11/2010	4,700	3,650	5,050	7,849	2,950	750	1,650	5,424	1,950	4,200	38,173
Balance Uncommitted as at 24/11/2010	10,300	11,350	9,950	7,151	12,050	14,250	13,350	9,576	13,050	10,800	111,827

ATTACHMENTS

Nil

7.7 Staff Contract Management

TRIM REFERENCE: f2004/00342 - D02432955

AUTHOR/MANAGER: Maree Hanson-Kentwell, Manager Human Resources

SUMMARY

Staff Contract information and management.

RECOMMENDATION

- 1 That Council declare that all managers earning more than the Total Remuneration Package (TRP) threshold of \$150,000 be employed as Senior Staff as defined by the Local Government Act 1993 s.332.**
- 2 That Council confirm the General Manager employs senior staff on the terms of the Senior Designated Officer contract as determined by the Division of Local Government.**

BACKGROUND

Council attended a briefing (10 Nov.2010) on the topic of managerial employment contracts. A presentation of the contract content of contract staff provided transparency and understanding of the total cost of employment for contract staff to Council.

An explanation of the two, current contracts currently used for managers was presented to Council and a recommendation was put forward that would have all Managers above \$150,000 commence on, or transition to the Senior Designated Officers (SDOs) contract determined by the DLG, when current contracts expire.

Employing managers under the SDO agreements classifies them as Senior Staff and Council is required to determine that status.

PROPOSAL

It is proposed to use the SDO for all managerial positions where the TRP exceeds the low threshold for classification as Senior Staff in terms of the Local Government Act 1993 s.332, s.338-9 especially.

CONCLUSION

Using the SDO classifies contract staff as Senior Staff in terms of the Act. Council is required by s.332 LGA 1993 to declare such positions as Senior Staff.

Using the low threshold of the minimum TRP established by the Act classifies all contract staff positions above a TRP of \$150,000 as Senior Staff.

ATTACHMENTS

Nil.

7.8 Christmas Leave Arrangements

TRIM REFERENCE: f2004/07568 - D02432960

AUTHOR/MANAGER: Maree Hanson-Kentwell, Manager Human Resources

SUMMARY

Reporting arrangements for staff leave over the Christmas and New Year period 2010 – 2011.

RECOMMENDATION

- 1 That Council endorse that between 29 December 2010 to 31 December 2010 inclusive, Council only operate with minimum staff required to meet essential services over the period.**
- 2 That Council endorse the General Manager directing:**
 - i That discussions continue in 2011 to extend planned Christmas Leave further into January where it is logical to do so.***
 - ii That discussion is extended to include other work arrangements that cover the scope of works within WSC whereby resources could be planned differently.***

BACKGROUND

The concept of planned Christmas Leave was tabled at the August Consultative Committee. A working party consisting of HR and Union representatives was formed to explore the concept. The rationale behind the concept of planned leave was based on the low productivity that occurs during this period and the rising costs of Council's outstanding liability for untaken leave.

Excerpt from Local Government (State) Award 2010 Clause 20C (ii):

"C. ANNUAL LEAVE

(ii) Council may direct an employee to take annual leave by giving at least four weeks prior notification in the following circumstances:

(a) where the employee has accumulated in excess of eight weeks annual leave

(b) a period of annual close-down of up to and including 4 weeks. Provided that:

(1) Where an employee has accrued more annual leave than the period of the annual close down, the balance of such leave shall be taken in accordance with subclause (i) of this clause.

(2) In the case of employees who are not entitled to annual leave or do not have an entitlement sufficient to cover the period of the closedown, council shall endeavour to provide meaningful duties as are within the limits of the employee's skill, competence and training for the whole or part of the close-down.

(3) In the event that meaningful duties are not available the employee may be directed to take leave without pay, or by agreement with council may take annual leave in advance of the entitlement provided that in the event of the employee leaving employment before the entitlement becomes due, such annual leave shall be repaid by a deduction from the employee's termination pay.

(4) In the event that leave without pay is directed to be taken, such leave shall be regarded as service for the purpose of the accrual of long service leave, sick leave and annual leave."

The working party met on 5 occasions and various issues were explored in relation to the impacts to the community and individual impacts on staff. The concerns raised around the impacts on the community considered such things as increases in population during the Christmas period through tourism and the maintaining of essential services. Staff issues centred on the implications of forced leave, particularly on individuals with family related matters. Currently only 50% of staff take leave during the Christmas period.

A series of statistical reports in relation to Service Requests during the Christmas period were considered and these indicated that there would be a need for a minimal number of staff to maintain the essential services. Managers have determined the essential services to be maintained and the minimum staff required. Staff with individual issues will be given the opportunity to work over the period where possible.

Other like Councils were contacted and Christmas Leave management varies including complete closedown for three days, minimum essential staff only or voluntary leave.

During discussions the working party identified that in some areas productivity was affected by the closedown of suppliers and contractors for periods extending into January and that there may be scope to extend planned leave further into January for these areas. Further there may also be opportunities for the management of other work within Council whereby the use of resources could be planned differently. It was agreed that further discussions on these matters should continue in 2011.

THE PROPOSAL

It is proposed that over the Christmas period being 29th December 2010 to 31 December inclusive that Council operate with minimum essential staff to meet business needs as determined by the Manager of the individual units in consultation with the Supervisors and Director.

In addition, it was agreed further discussion between the parties will occur in 2011 for the management of possible work arrangements that cover the scope of works within WSC whereby resources could be planned differently.

OPTIONS

1. Continue the current practice of voluntary leave.
2. Closedown between Christmas and New Year.
3. Planned leave with minimum staff to maintain essential services.

STRATEGIC LINKS

The planned Christmas leave will ensure that appropriate levels of service are provided to the community.

Financial Implications

Savings will occur through a reduction in Councils outstanding leave liability.

Principles of Sustainability

Nil impact.

CONSULTATION

All Unions were represented on the working party.

GOVERNANCE

The provisions relating to leave are prescribed in the Local Government (State) Award 2010. The General Manager is responsible for the determination of staff entitlement in accordance with the provisions of Section 335 of the Local Government Act.

CORPORATE RISKS

Nil impact.

CONCLUSION

The period between Christmas and New Year is a time of low productivity as most of Councils suppliers and contractors closedown. Planned leave for staff at this time is an opportunity for council to manage rising costs of the liability for untaken leave.

ATTACHMENTS

Nil.

8.1 2010-11 Annual Plan - September Quarter Review

TRIM REFERENCE: F2004/07006 - D02429528

AUTHOR/MANAGER: Cate Trivers, Chief Financial Officer

SUMMARY

Quarterly report on progress against Council's 2010-11 Annual Plan.

RECOMMENDATION

- 1 That Council receive the report 2010-11 Annual Plan – September 2010 Quarter Review.**
- 2 That Council note that Council's Responsible Accounting Officer has declared the financial position of Wyong Shire Council to be satisfactory.**

(NB This declaration is a statutory requirement made in accordance with the Local Government (General) Regulation 2005 s.203).

BACKGROUND

Council is required to prepare and adopt a Quarter Review of its Annual Plan in accordance with relevant legislation – s.203 of Local Government (General) Regulations 2005

Budget review statements and revision of estimates

- (1) Not later than 2 months after the end of each quarter (except the June quarter), the responsible accounting officer of a council must prepare and submit to the council a budget review statement that shows, by reference to the estimate of income and expenditure set out in the statement of the council's revenue policy included in the operational plan for the relevant year, a revised estimate of the income and expenditure for that year.*
- (2) A budget review statement must include or be accompanied by:
 - (a) a report as to whether or not the responsible accounting officer believes that the statement indicates that the financial position of the council is satisfactory, having regard to the original estimate of income and expenditure, and*
 - (b) if that position is unsatisfactory, recommendations for remedial action.**
- (3) A budget review statement must also include any information required by the Code to be included in such a statement.*

A Report on the Future Directions for 'Body Hire' Services for Wyong Shire Council was considered by Council on 26 May 2010. It recorded that Council will be provided with an update on body hire arrangements as part of the quarterly Annual Plan report.

CURRENT STATUS

The September quarter management and budget report is attached as an enclosure.

Services are proceeding as normal and in line with planned levels and quality. There are no significant events or variations to report.

The budget established for the original management plan contained a dependency on the sale of land at Warnervale - a net \$15.5m to fund operating costs. The position has been re-assessed and the sale is deemed unlikely which will require further management action to ensure targets are met. Actions are being taken to compensate for the shortfall.

Capital expenditure is running significantly below budget despite the major M2M/Mardi project being on schedule and budget. Primarily this position is within Community and Recreational services – the Hamlyn terrace sports ground project where significant bad weather has delayed the contractor's earthworks programme.

The Council financial performance for the quarter is improved against budget with gains in all cost categories, especially labour costs where management activity and decisions are having effect.

Income figures are reflecting lower water usage against that budgeted user charges however this is matched by the appropriate cost reductions. Fee recoveries in Roads and Drainage are showing less because of RTA user charges and F.A.G. income not reflecting correct timing of take-up in the accounts. Corrections are being made in Q2.

Body-Hire

Current engagements of 'Body Hire' contractors within Council (with the exception of the Mardi to Mangrove Link projects) ceased by 31 October 2010.

Letters of Offer for fixed term contracts of service (employment contracts) have been made to three applicants for Project Director positions and six applicants for Project Manager positions within the Contracts & Special Projects unit. At the time of writing this report, the status of acceptances are outlined below:

Five written acceptances for Project Manager positions were returned to Human Resources, - the successful applicants commenced on:
13 Sept; 20 Sept; 29 Sept; 11 Oct; and 22 Nov 2010.

Two of the three offers made for the Project Director positions were accepted and the commencement dates for those two positions were 20 Sept. & 1 Nov.2010. The remaining offer is still being considered.

Two 'Body Hire' contractors ceased engagement with Council on 17 September and 30 September 2010 respectively. The remaining seven 'Body Hire' consultants assisted in the final hand over of projects before 31 October 2010.

Financial Implications

Variations requiring Council's approval are outlined in the enclosed report.

Principles of Sustainability

n/a

CONSULTATION

n/a

GOVERNANCE

Quarterly reporting of Council's financial and operating performance is mandatory.

CONCLUSION

The first quarter of the year is traditionally a quieter period for expenditure due to start-up of projects and the impact of winter weather however this quarter was also impacted by significantly increased management rigour on cost controls.

Income is lower in key areas despite increased capital contributions.

All requirements of the relevant legislation governing management reporting have been met.

The advice from the Responsible Accounting Officer that Council's financial position is "satisfactory" – not withstanding that further management actions/decisions will be required to maintain that position.

ATTACHMENTS

- 1 Business Report Q1 – September 2010 (Distributed under separate cover - Enclosure Doc No D02435021)

9.1 Information Reports

TRIM REFERENCE: F2010/00009 - D02422560

AUTHOR: Monica Redmond, Administration Assistant
MANAGER: Lesley Crawley, Manager Governance and Administration

SUMMARY

In accordance with Council's Code of Meeting Practice reports for the information of Council are provided for adoption either by nominated exception or in total.

RECOMMENDATION

That Council receive the report on Information Reports.

ATTACHMENTS

Nil.

9.2 Works in Progress - Water Supply and Sewerage

TRIM REFERENCE: F2004/07830 - D02408789

AUTHOR: Vanessa Trzcinka, Technical Operations Engineer Water and Sewerage Operations

MANAGER: Daryl Mann, Acting Manager, Water and Sewerage Operations

SUMMARY

Water supply and sewerage works in progress and completed for November 2010.

RECOMMENDATION

That Council receive the report on Works in Progress - Water Supply and Sewerage.

WATER SUPPLY

The table below is a status report of current major new and upgrade water projects.

Item Description	Est Cost \$	Start Date	% Spent	% Comp	Est Comp Date	Comments
Bateau Bay Canton Beach Ourimbah Shelly Beach The Entrance Toukley	150,000	Sept 2010	33	42	Jun 2011	Ongoing fittings, hydrant and stop valve replacements are underway to improve water supply system operations. Council implements a maintenance program to minimise operational issues such as dirty water complaints. This work is funded by the Water and Sewerage Capital Works Fitting Replacement Program.

Item Description	Est Cost \$	Start Date	% Spent	% Comp	Est Comp Date	Comments
Toowoan Bay Rd Long Jetty	75,000	Aug 2010	90	90	Nov 2010	<p>Work is underway to replace numerous stop valves, hydrants and fittings on the 375mm and 250mm water trunk mains and 100mm water distribution main.</p> <p>The valves and fittings are being replaced to improve water supply operations in the area.</p> <p>This work is being funded by Water and Sewerage Capital Works Fitting Replacement Program.</p>
Lindsay St & Bonnieview St Long Jetty	305,132	Oct 2010	40	45	Dec 2010	<p>Work has commenced to relocate approximately 500m of 150mm UPVC water distribution main.</p> <p>The relocation of the water main forms part of the Roads & Drainage upgrade work which includes the reconstruction of the kerb and gutter and construction of traffic islands, pedestrian refuges and a road hump.</p> <p>The water main works are expected to be completed by December 2010. Council will be providing potable water via temporary services in order to minimise supply interruption to the residents throughout the duration of the works.</p> <p>This work is being funded by Roads & Drainage Capital Works Program.</p>

Item Description	Est Cost \$	Start Date	% Spent	% Comp	Est Comp Date	Comments
Kanangra Dve, Gwandalan	80,000	Nov 2010	30	25	Dec 2010	<p>Work has commenced to construct a concrete valve pit and install 450mm flow meter and dismantling joint on 450mm water trunk main.</p> <p>The flow meter is being installed to measure and monitor water flows into Gwandalan and Summerland Point. The dismantling joint is being installed to carry out future water main maintenance to improve water supply operations into the area.</p> <p>This work is being funded by Water and Sewerage Capital Works Program.</p>

SEWERAGE

The table below is a status report of current major new and upgrade sewerage projects.

Location	Est Cost \$	Start Date	% Spent	% Comp	Est Comp Date	Comments
Bateau Bay Berkeley Vale Blue Haven Budgewoi Gorokan Killarney Vale Long Jetty Watanobbi Wyang	150,000	Jul 2010	20	30	Jun 2011	<p>Ongoing sewer main and manhole replacement and adjustment works are underway to improve system operations.</p> <p>Council's maintenance program of CCTV inspections, replacing sections of sewer mains and repairing manholes and junctions causing operational problems due to root infestation and stormwater infiltration.</p> <p>This work is funded by the Water and Sewerage Operations and Maintenance Program.</p>

Location	Est Cost \$	Start Date	% Spent	% Comp	Est Comp Date	Comments
De Lisle Dve, Watanobbi	10,000	Nov 2010	90	90	Nov 2010	Work is nearing completion to relay a faulty 150mm PVC sewer pipe at Watanobbi Oval. This work is being funded by Water and Sewerage Operations and Maintenance Program.

PROCESS

Water Treatment

All water produced by Mardi Water Treatment Plant, for the period 1 to 31 October 2010 has met National Health and Medical Research Council Guidelines.

Sewage Treatment

All effluent discharged from the sewage treatment plants, for the period 1 to 31 October 2010 has met Environmental Protection Authority Licence requirements.

Sewer Overflows

One minor environmental incident occurred on T6 sewer rising main in Kooloora Rd Noraville during the period 1 to 31 October 2010. A small amount of effluent leaked into the nearby stormwater drain which caused no harm to the environment and was cleaned up in a timely manner. The matter was referred to Manager of Regulation and Compliance and the incident was reported to Department of Environment Climate Change and Water.

WATER STORAGE

Monday, 15 November 2010

STORAGES

Storage	Capacity Full [MI]	Volume in Storage [MI]	Percent Full [%]	Storage Change over last Week
Mangrove Dam	190000	53,222	28.0	Up 543 ML
Mardi Dam	7400	6,599	89.2	Up 765 ML
Mooney Dam	4600	3,280	71.3	Up 489 ML
Total	202000	63,101	31.2	Up 1797 ML

CURRENT WORKS:

- Upgrade works essential for the long term secure operation of Mardi Dam and Central Coast water supply system are nearing completion. The works include the construction of a new intake tower, two pump stations and new pipelines at Mardi Dam.

STORAGE:

- Total stored water volume is 1.3 % higher than it was a month ago.
- This day last year the volume stored as a percentage of total capacity was 1.1% lower.

HUNTER TRANSFERS:

- Hunter Water Corporation supplied 0.0 ML last week keeping this year's supply to 1157 ML.
- Gosford/Wyong supplied 0.0 ML to Hunter Water last week keeping this year's supply to 5.6ML.

GROUND WATER BORES:

- Groundwater Bores supplied 10.4 ML last week increasing this years supply to 276.5ML

WATER USAGE & RAINFALL

Period	Water Usage [MI]	Rainfall [mm]		
		Somersby WTP	Mardi WTP	Mangrove Dam
Week to date	551	25	34	72
Previous week	495	90	13	78
Current week last year	515	4	2	1
This year to date	22,870	1,034	1,1	90
Same period last year	22,448	1,058	78	62
			6	3

Week to date consumption was 551 ML, 7.0% less than the same week last year and 11.3 more than the previous week.

Consumption this year to date is 22,870 ML, 1.9% more than the same period last year.

Level 3 Water Consumption Target for the week ending Monday, 15 November 2010 is 561 ML

ATTACHMENTS

Nil.

9.3 Ourimbah Campus Parking

TRIM REFERENCE: F2004/06718 - D02410020

AUTHOR: Steven McDonald, Transportation Engineer, Future Planning
MANAGER: Paul Bowditch, Manager Future Planning

SUMMARY

Council have consulted with the University of Newcastle – Ourimbah Campus regarding the existing and future parking demand within and around the Campus. It is proposed that Council staff undertake surveys in the early part of 2012 (March/April), upon completion of an approved carpark, to determine the level of parking demand generated by the Campus at its busiest time.

RECOMMENDATION

That Council receive the report on the Ourimbah Campus Parking.

BACKGROUND

At the 25 August 2010 Council meeting, Council resolved as follows:

“Resolved unanimously on the motion of Councillor Eaton and seconded by Councillor McNamara;

That Council staff in conjunction with Ourimbah University report on the current parking situation at the University and solutions to ensure adequate parking now and in the future to cope with student and staff growth.”

FOR: COUNCILLORS EATON, GRAHAM, MATTHEWS, MCBRIDE, MCNAMARA, SYMINGTON, VINCENT, WEBSTER AND WYNN

AGAINST: NIL”

REPORT

In September 2009, Council approved a development application for the construction of additional carparking on the site of the Newcastle University, Central Coast Campus at Ourimbah.

The application sought consent for the provision of an additional 316 carparking spaces in two stages. Stage 1 proposed an additional 248 spaces adjacent to the existing southern carpark and Stage 2 was to provide 68 spaces adjacent to the existing northern carpark.

In the determination of the application the need for extensive filling within the Bangalow Creek flood plain for the construction of the northern carpark (68 spaces) was identified. This issue could not be resolved to Council's satisfaction and subsequently the development consent conditioned the deletion of the proposed northern carpark.

Council recently contacted the University to discuss current carparking arrangements and proposals to accommodate future expansion of the University.

The University advised that funding is available for construction of the approved 248 space carpark. Detailed design plans are currently being prepared for tender and it is anticipated that construction could commence in early 2011.

The University also advised that the peak demand for carparking within the Campus is in early March through to Anzac Day. This is the period that student attendance is at its highest, which includes the TAFE and Community College. First year students tend to begin carpooling later in the year as they become familiar with each others schedules. Later in the year there is a surplus of parking spaces on the Campus grounds. It is proposed that Council staff undertake surveys in the early part of 2012 (March/April), upon completion of the approved carpark, to determine the level of parking demand generated by the Campus at its busiest time. The surveys will only require minimal staff involvement in counting the number of vehicles parked within the Campus and surrounding streets.

Additionally, the University has engaged a consultant to prepare a traffic report addressing traffic and parking issues within the Campus. The report will determine the next stage of carparking requirements for the campus to accommodate further expansion of the University, including possible construction of a multi level carpark on top of the existing at grade carparks. The timing of the report is unknown at present.

Overflow parking during peak periods currently occurs on Shirley Street and Brush Road. Students also utilise the parking at nearby Sohier Park.

CONCLUSION

In order to determine the current peak parking demand on the Campus and the extent of overflow parking into nearby streets, surveys are required during peak periods which occur during March and April. These surveys will be undertaken in 2012, once the approved carpark is complete. A further report will be provided to Council once the surveys are completed.

The University has engaged a consultant to determine the future parking demand generated by any further expansion of the facility.

ATTACHMENTS

Nil.

9.4 General Works in Progress

TRIM REFERENCE: F2004/07830 - D02410063

AUTHORS: Serge Kornev, Construction Manager

MANAGER: Mike Long, Manager Contracts

SUMMARY

This report shows the current status of significant General Works and General Works in Progress for capital and maintenance expenditure, as at the end of October 2010. General Water and Sewerage services are not included.

RECOMMENDATION

That Council receive the report on General Works in Progress.

ROADS AND DRAINAGE SECTION OVERVIEW

Capital Works In Progress

The table below is a status report of current major roads and drainage projects.

Item Description	Est Cost	Start Date	% Spent	% Comp	Est Comp Date	Comments
Oakland and Ashton Avenue, The Entrance	\$275K	21/10/2010	30	10	Dec 2010	Stage 5 - Outlet Basin Structure is part of major trunk drainage system upgrade project. Construction of sandstone outlet structure and headwalls in progress
Toowoan Bay Rd and Nirvana St Long Jetty Drainage	\$1.6M	23/03/10	97	95	Nov 2010	Major stormwater drainage system upgrade to alleviate localised flooding, road reconstruction and a mini roundabout at the intersection of Toowoan Bay Rd and Nirvana St. Pavement and Drainage works continue along Toowoan Bay Road. Awaiting contractor to complete raised intersection.

Item Description	Est Cost	Start Date	% Spent	% Comp	Est Comp Date	Comments
Quinalup St - Stage 1B, Gwandalan	\$517k	10/08/10	92	95	Oct 2010	Stage 1B of the Quinalup St stormwater drainage improvements project to address Category 1 and 2 flooding, flooding complaints and upgrade the local area drainage system. Project consist of a piped drainage system, upgrade to kerb and gutter, upgrade existing drainage system and to provide adequate overland flow paths. Drainage complete. Awaiting Contractor to complete asphaltic concrete road wearing course.
Beach Street and Marine Parade, The Entrance	\$251K	20/09/10	100	100	Oct 2010	Major stormwater drainage system upgrade to alleviate localised flooding and road pavement reconstruction in Beach Street. Awaiting Contractor to complete asphaltic concrete road wearing course.
The Corso, Gorokan	\$743K	4/10/10	25	25	Nov 2010	Works include upgrading of the existing stormwater drainage system, reconstruction of the road pavement, kerb and gutter, footpath associated traffic management facilities. Drainage and Kerb and Gutter works completed, pavement works commenced

Item Description	Est Cost	Start Date	% Spent	% Comp	Est Comp Date	Comments
Chittaway Road and James Watt Drive, Chittaway	\$799K	16/08/10	95	100	Oct 2010	Chittaway Road reconstruction between Burregah Rd and Wyong Road incorporating drainage, footpath, kerb and gutter, pram ramps, traffic calming devices, roundabout, raised thresholds, linemarking and signs, extensive utilities and services relocation. All works completed.
Vales Point Park Foreshore Works, Mannering Park	\$128K	18/10/10	35	30	Nov 2010	Reinstatement and protection of foreshore on the northern side of Vales Park Reserve. Objective is to improve stability of lake foreshore and protect it from wave and wind action by constructing a cobblestone shingle beach and sand stone retaining wall.

General Maintenance Work

The following is a list of general works undertaken during this period:

	North	South
Drainage Maintenance	Budgewoi Wyong Gorokan	Killarney Vale Long Jetty Berkeley Vale Bateau Bay Tumbi Umbi
Replacement of Damaged Foot paving	Woongarra Lake Haven	Mardi Berkeley Vale Killarney Vale

	North	South
Sign Maintenance	Toukley Kanwal Hamlyn Terrace Blue Haven Wadalba Budgewoi Tuggerawong San Remo Canton Beach Wyongah Jilliby Yarramalong Buff Point Gwandalan Summerland Point	Toowoan Bay Berkeley Vale Ourimbah Long Jetty The Entrance Killarney Vale Shelly Beach Bateau Bay Tuggerah Wyong Mardi Chittaway
Shoulder Restoration	Nil	Long Jetty Bateau Bay
Heavy Patching	Yarramalong	Killarney Vale
Table Drain Maintenance	Charmhaven Budgewoi Toukley Gwandalan San Remo Wyongah	Long Jetty Bateau Bay Killarney Vale Tumbi Umbi Berkeley Vale The Entrance
Rural Road Grading	Dooralong Yarramalong Ravensdale Jilliby Kiar	Ourimbah Palmdale Tuggerah
Carpark Maintenance	Nil	Nil
Fencing	Nil	Nil
Vegetation control	Jilliby Woongarra Halloran Hamlyn Terrace Toukley Mannering Park Yarramalong Dooralong	Tuggerah Berkeley Vale Tumbi Umbi Ourimbah Watanobbi Wyong The Entrance Killarney Vale Long Jetty Tumbi Umbi

CONTRACTS AND SPECIAL PROJECTS SECTION

The table below is a status report of current major projects.

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
Mardi Suite of Works	\$59M	Apr 2006	95	95	Dec 2010	Commissioning complete. Practical Completion is anticipated by December 2010.
CPA/127662 Construction of Mardi Transfer System and High Lift Pump Station - includes ancillary dam works and high voltage ring main.	\$45.665M	Jun 2009	98	98	Dec 2010	
CPA/115479 The Rehabilitation and Redevelopment of Bateau Bay Landfill	\$17M	Dec 2006	95	95	All fields available for use towards end 2010	Construction works proceeding under Council's direct management. Turf completed to all fields and should be established for use towards end of 2010. Construction of softball fencing commenced. Softball games have started.
CPA/130590 Consultancy for Investigation and Design of Trunk Sewer Mains to Warnervale Town Centre and Wyong Employment Zone	\$720K	Jan 2008	80	80	Dec 2010	Contract awarded to Bonacci Group Pty Ltd. Design finalisation expected in December 2010. Estimated project construction cost \$9M, with this consultancy costing \$720K.
CPA/130591 Consultancy for Investigation and Design of Trunk Water Mains to Warnervale Town Centre and Wyong Employment Zone	\$370K	Apr 2008	90	96	Nov 2010	Contract awarded to SMEC Australia Pty Ltd. Outstanding variations are to be finalised by December 2010 to conclude the consultancy. Project construction cost \$3M, with this consultancy costing approximately \$370K.

9.4

General Works in Progress (contd)

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
CPA/135454 Investigation, Design and Construction Supervision for Toe Drainage Structure at Cabbage Tree Harbour, Norah Head	\$418K	Aug 2007	85	85	June 2011 for this consultancy	Contract awarded to Shirley Consulting Engineers (SCE). This consultancy \$418K including all variations to date. Approval to proceed with reduced cost option resolved by Council at 14 April 2010 meeting. Construction to be performed using Council day labour. SCE finalised draft detail design drawings. Drawings being reviewed and revised. Addendum to REF for Part 5 being prepared. Construction anticipated between Feb and June 2011.
CPA/135790 Pioneer Dairy – Hydrologic Assessment and Wetland Concept Study	\$370K	1) South section Feb 2008	95	100	May 2010	1) Contract awarded to Storm Consulting Pty Ltd for design of constructed wetland. Design complete. Approvals obtained. 2) The planned Stage 2, deep water zone works will not proceed due to funding shortfall.
Construction of wetland by day labour		2) North section Mar 2010	90	90	Nov 2010	
CPA/136020 (complete), CPA/162445 (complete) and CPA/181535 Gwandalan Landfill Remediation – Investigations Only	\$290K	Nov 2007	75	80	Jan 2011 (RAP & concept design)	Preliminary site investigation and detailed site investigation completed. Contract for remedial action plan (RAP) & concept design awarded in September (cost \$90K). Associated field investigations are in progress. Anticipated completion January 2011

9.4

General Works in Progress (contd)

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
CPA/136021 (complete) and CPA/168802 (complete) Tumbi Landfill Remediation – Investigations only	\$190K	Nov 2007	70	70	March 2011 (RAP & concept design)	Preliminary site investigation completed. Further site investigation undertaken following detailed investigation on recommendation from EPA Site Auditor. Additional work completed and final report received. Additional investigations have delayed progress on tenders for remedial action plan (RAP). Anticipated completion of RAP March 2011.
CPA/136486 Investigation, Design and Documentation of Toukley Sewage Treatment Plant Inlet Works Upgrade	\$164K	Apr 2008	100	100	Completed	Contract awarded to Maunsell Australia Pty Ltd. This consultancy will continue to provide input during construction phase. Estimated project cost \$2.05M, with this consultancy costing \$164K.
CPA/142750 (complete) and CPA/173290 (complete) Shelly Beach Landfill Remediation – Investigations only	\$185K	Nov 2007	70	70	May 2011 (RAP & concept design)	Preliminary and detailed site investigation completed. Tenders for Remedial Action Plan (RAP) will follow. Anticipated completion of RAP in May 2011.
CPA/144772 - Consultancy for Investigation and Design of T22 Sewer Pump Station upgrade – Budgewoi	\$122K	Mar 2008	83	85	Dec 2010	Contract awarded to Cardno (NSW) Pty Ltd. Preparation of design and tender documentation has been slow but is nearing completion. Preliminary project construction cost estimate \$2.43M.

9.4

General Works in Progress (contd)

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
CPA/145814 Design and Tender Documentation for No 3 Aeration Tank – Charmhaven STP	\$190K	Oct 2008	98	98	Dec 2010	Contract awarded to Cardno (QLD) Pty Ltd. Construction tender documentation and drawings being finalised. Estimated project cost \$11M, with this consultancy costing \$190K.
CPA/147230 - Consultancy for Investigation and Design of T8 Sewer Pump Station upgrade – Norah Head	\$139K	Jun 2008	71	80	Dec 2010	Contract awarded to Cardno (NSW) Pty Ltd. Preparation of design and tender documentation has been slow but is nearing completion. Delays due to coastal hazard investigations requiring relocation of pump station. Preliminary project construction cost estimate \$1.32M.
CPA/154562 Toukley Sewage Treatment Plant Inlet Works Upgrade	\$2.05M	Oct 2009	83	83	Dec 2010	Contract awarded to Process Engineering Technologies Pty Ltd. Construction commenced February 2010.
CPA/155500 - Consultancy for Investigation and Design of C3 and C6 Sewer Pump Station upgrades, and new C16 Sewer Pump Station – San Remo and Blue Haven	\$190K	Dec 2008	71	85	Dec 2010	Contract awarded to SMEC Australia Pty Ltd. Consultant has been slow in revising and returning final design and tender documentation. information and editing by the Consultant. Preliminary project construction cost estimate \$1.32M.
CPA/157337 – Pre-Construction Documentation and Construction of 150mm diameter Water main Upgrade along Pollock Avenue	\$366K	Apr 2010	10	15	Feb 2011	Documentation preparation in hand to seek approvals and for construction tenders to be called.

9.4

General Works in Progress (contd)

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
CPA/158361 Construction Work for Stormwater Treatment Works in Reach 2, Saltwater Creek	\$630K	May 2009	75	75	May 2013	Hunter Land Management has achieved the first funding milestone for works completed at 31 March 2010. Bush regeneration works continue.
CPA/159848 Reservoir Lining – Tuggerah 1 and Ridgeway	\$350K	Oct 2010	15	55	Dec 2010	Lining completed and inspected for Ridgeway 1 reservoir. Tuggerah 1 reservoir to be completed in November 2010. Technical consultant is satisfied with the quality of work.
CPA/160358 Project Management Services for the Clearing and Engineering Works Associated with Sub Division of Council land at Sparks Road Warnervale	\$148K	Mar 2009	55	70	June 2011	Contract let to Trehy Ingold Neate Pty Ltd. Consultancy value has increased due to additional works being added to the contract as a result of changes in land zoning which impacts the proposed subdivision. Ongoing works include revised S96 application to review lot layout, preparation of tender documents, construction drawings and specifications.
CPA/160794 Construction of the Northern Section of the Link Road	Construction cost \$9.5M	Mar 2009	90	95	Nov 2010	Traffic signals complete, asphaltic concrete road pavement nearing completion, work commenced on replacing 150 AC water main running south on Link Rd and rerouting 375 mm water main. Signage and line marking programmed for November. Contract admin processes under way to process back log of contact variations.

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
CPA/164637 (complete) CPA/185467 Detail Investigation and Remedial Action Plan (RAP) of the Toukley Landfill (Sewage Treatment Plant and Transfer site)	\$250K (two contracts)	Dec 2009 Aug 2010	100 5	100 5	Complete (Preliminary works) Mar 2011 (Detailed site investigation)	The report on the preliminary investigations has been completed. Detailed site investigation works and RAP was awarded to Douglas Partners P/L.
CPA/164957 Saltmarsh Rehabilitation – Consultancy for the preparation of a detailed rehab plan, REF and mosquito management plan for 10 sites	\$80K	Aug 2009	100	100	Oct 2010	Work on LM7 and LM8 complete. Awaiting funding for LM19 and LM20. (LM is an acronym for Lake Munmorah)
CPA/170570 – Toowoon Bay Holiday Park Resort Pool	\$521K	April 2010	68	95	Oct 2010	Pool finishing works now underway. Pool pump shed construction now well advanced.
CPA/171026 Installation of Subsoil Drainage at Halekulani, Killarney Vale and Kurraba Playing Fields	\$287K	Feb 2010	50	70	Dec 2010	Contract was awarded to Green Horticultural Group Pty Ltd. Halekulani and Kurraba Ovals have been constructed. Killarney Vale Oval expected completion December 2010
CPA/171824 Land Clearing of Council Subdivision Land at Warnervale	\$131K	July 2010	65	95	Dec 2010	Contract awarded to Newcastle Earthmoving. Clearing vegetation has commenced and is continuing. Works delayed due to wet weather. Original contract sum has increased due to asbestos discovery at the site and additional work to install a pipe crossing. Anticipated completion date Dec 2010.

9.4

General Works in Progress (contd)

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
CPA/172612 Construction of Hamlyn Terrace Community and Sporting Facility	\$8.3M	Apr 2010	10	10	Jun 2011	Works have been significantly affected by delays due to recent wet weather and resulting saturated site soils. Break in weather has enabled site earthworks to be recommenced on site on 30 August. Excavation and main embankment 95% complete. Community centre and road works commenced.
CPA/173205 Sewer main rehabilitation, various locations in Wyong Shire	\$920K	Sep 2010	5	5	Mar 2011	Works have been awarded to Interflow Pty Ltd. Site works started on 20 September 2010.
CPA/173286 (complete) CPA/181554 Remediation of Mardi Landfill – Design only	\$350K	N/A	5	5	Apr 2011 (Detailed design)	Expressions of Interest (EOI) for design (CPA/173286) have closed. A panel of consultants for detailed design was selected from the EOI. Tenders for design (CPA/181554) are being prepared for invitation. Expected to report to Council in January 2011 for determination. Detailed design will follow.
CPA/179982 Replacement of Pope Air Conditioning Equipment at Wyong Civic Centre	\$240K	Jan 2010	54	65	Nov 2010	6 new air conditioners are installed with 95% of ductwork complete. New Innotech Building Management System (BMS) chosen to manage the new air conditioners. BMS to be relocated to Level 1 Building A.
CPA/184446 – Shelly Beach SLSC Construction	\$5M	Oct 2010	0	2	Jun 2011	Shelly Beach - Temporary fencing has been erected and site sheds positioned. The

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
CPA/184454 – Soldiers Beach SLSC Construction			0	2	Jun 2011	temporary First Aid shed has been delivered and services are being connected. Demolition of the existing clubhouse to be undertaken in November 2010. Soldiers Beach – Temporary fencing has been erected and site sheds positioned. Demolition of the caretakers flat to be undertaken in November 2010.
F2008/01807 Wallarah Pt Shared Pathway (Toukley bridge)	\$50K	May 2010	2	10	Feb 2011	Project will commence when funding and final approvals are received.
F2008/02335 Colongra Bay Shared Pathway	\$200K	Nov 2009	3	30	Initial target Jun 2010	Project to commence when funds confirmed. Approvals being sought..
F2009/02299 Investigations for Osborne Pk shared pathway, Toukley.	\$50K (investigations only)	Nov 2009	30	90	Nov 2010	Surveys complete. Environmental assessment complete and approvals sought. Project to commence when funding confirmed..
F2009/02359 Extension of shared pathway at Killarney Vale (Moorlan Ave to Armstrong Ave) RTA funded.	\$200K	August 2010	0	0	Dec 2010	Contract for bridge work awarded and construction to commence Nov. Construction of pathways has commenced using Council resources.
Design, Documentation and Investigative works for Stormwater Treatment Projects (2007) - various	\$100K	Dec 2009	95	95	Sep 2010	All Part 5 Applications have been lodged with Council. Only one final approval to be received.

Item Description	Est Cost (excl. GST)	Start Date	% Spent	% Comp	Est Comp Date	Comments
Contract 2408 Capture and Commercial Utilisation of Landfill Gas from Buttonderry Landfill	Potential for return to Council	May 2010	N/A	95	Dec 2010	Project is privately funded by the contractor/operator. Installation of wells is and the underground connection to the grid is completed. The power plant module is installed and it is anticipated the power plant will be operational by December 2010. The Deed of Agreement provides for Royalty payments to Council of 15% from the sale of electricity generated.

CONTRACTS STILL IN DEFECTS LIABILITY PERIOD			
Contract No	Contract Description	Contract Status	% Completed
CPA/117144	Toukley Reclaimed Effluent WTP Augmentation Works	Practical Completion 20 August 2009. Defects Liability Period extended to 25 February 2011.	87
CPA/137264 to CPA/144340	Design, Documentation and Construction work for Stormwater Treatment Works in Saltwater Creek	Practical Completion Construction Contracts: Reach 11 – 24 August 2009 Reach 10 – 30 June 2009 Reach 9 – 22 April 2009 Reach 4 – 31 July 2009 Reach 1 – 24 August 2009	100
CPA/140816	The Entrance Community Facility Stage 2 – Construction	Defects liability period expired 24 April 2010. Final account yet to be finalised – now in formal dispute with contractor	100
CPA/142295	Construction of High Voltage Power Supply to Mardi	Practical Completion 10 August 2010	25
CPA/152870	Buttonderry Waste Management Facility Entry Upgrade Works	Practical Completion - Three Portions of the Contract: Portion 1 – 17 September 2009 Portion 2 – 31 October 2009 Portion 3 – 12 November 2009	Portion 1–90 Portion 2-85 Portion 3- 75
CPA/153765 to CPA/153784	Year 3 Upgrade Works to all Holiday Parks	Practical Completion for all contracts was approx 30 September 2009.	92

Contract No	Contract Description	Contract Status	% Completed
CPA/157278	Replacement of 600 metre length of 250mm water main – McDonagh Rd	Practical completion 22 January 2010	70
CPA/159880	Construction of Mannering Park Sewage Treatment Plant Inlet Works	Practical Completion 17 June 2010	30
CPA / 158359	Ourimbah RFS Building Construction	Practical Completion 21 May 2010	40%
CPA/153228	Construction of Woongarra Sports Facility	Practical Completion 4 June 2010	25%
CPA/160330	Upgrade to Floodlighting at Various Ovals in the Southern Region of Wyong Shire	Practical Completion 1 October 2010	10
CPA/160331	Upgrade to Floodlighting at Various Ovals in the Northern Region of Wyong Shire	Practical Completion 30 August 2010	15%
CPA/177219	Amenities Block at Tenth Avenue, Budgewoi	Practical Completion 30 September 2010	5%
CPA/164633	Excavation & lining of Cell 4.2B Buttonderry Waste Management Facility	Practical Completion 28 August 2010	15%

ATTACHMENTS

Nil.

9.5 Mardi to Mangrove Link Project Status

TRIM REFERENCE: f2007/01120 - D02420038

AUTHOR: Claire Cam, Engineer Water & Waste
MANAGER: Greg McDonald, Project Director–Mardi/Mangrove Link Project.

SUMMARY

Report on status of Mardi to Mangrove Link Project.

RECOMMENDATION

That Council receive the report on Mardi to Mangrove Link Project Status.

PROJECT SCOPE

- Wyong River off-take structure and pumping station
- Wyong River to Mardi-Dam 2.1 kilometre pipeline
- Inlet works at Mardi Dam
- Mardi-Mangrove transfer pumping station
- Mardi Dam to Mangrove Creek Dam 19 kilometre pipeline
- Lower Wyong River Weir, Fishway and Gauging

CURRENT STATUS

Expenditure to date \$67.4m

Project Estimate \$120.6m

Construction Status

	Scheduled Start	Scheduled Completion	% Work Complete
Milestone 1:		27 January 2011	
Pre-construction – Management Plans & Approvals	4 January 2010		100%
Work Package 1 – Wyong River Off-take	7 April 2010		55%
Work Package 2 – Wyong River Pump Station	19 February 2010		55%
Work Package 3 – Wyong Mardi Rising Main 3	16 February 2010		90%
Work Package 4 – Wyong Mardi Inlet	6 May 2010		90%
Work Package 7 – Mardi Mangrove Transfer Main	1 March 2010		45%
Work Package 18 – Wyong Weir, Fishway & Gauging	5 August 2010		75%

Milestone 2:		31 January 2011	
Work Package 6 – Mardi Mangrove Transfer Pump Station	21 June 2010		70%
Milestone 3:		6 May 2011	
Commissioning	1 February 2011		

Key Dates

	Scheduled Completion	Actual Completion	Complete
Review of Environmental Factors (REF) submitted	30 June 2009	30 June 2009	<input checked="" type="checkbox"/>
Call for Expressions of Interest (EOI)	9 July 2009	9 July 2009	<input checked="" type="checkbox"/>
EOI closes	30 July 2009	30 July 2009	<input checked="" type="checkbox"/>
Determination Approval	14 October 2009	23 September 2009	<input checked="" type="checkbox"/>
Issue Request for Tenders (RFT)	16 October 2009	16 October 2009	<input checked="" type="checkbox"/>
Tenders close	12 November 2009	12 November 2009	<input checked="" type="checkbox"/>
Council consider Award of Construction Contract	9 December 2009	9 December 2009	<input checked="" type="checkbox"/>
Expiry of PAN 90 day notification period	31 December 2009	31 December 2009	<input checked="" type="checkbox"/>
Minister/Governor determination of compulsory acquisition applications	27 January 2010	27 January 2010	<input checked="" type="checkbox"/>
Pipeline Construction	27 January 2011		<input type="checkbox"/>
Transfer Pump Station Construction	31 January 2011		<input type="checkbox"/>
Commissioning	6 May 2011		<input type="checkbox"/>
Project Completion	June 2011		<input type="checkbox"/>

Land Matters

- Restoration has been practically completed and signed off by landholders on 14 properties.
- Key property and landholder issues at present are tree protection, mitigating impacts of pipe bridges and valves, progress and quality of construction access bridges, noise from piling operations on pipe bridges, stock safety and fencing, spoil management, weed management along corridor and property access for residents affected by works in Yarramalong Road.
- Negotiations for final landholder releases have commenced. One landholder has signed a final release.
- Negotiations for additional compensation for pipe bridges and section valves have commenced with the seven affected landholders. Agreements have been reached with two landholders.

Stakeholder Liaison

- To mark the half way point of construction and update Councillors on various elements of the project, a briefing and inspection tour has been organised for 19 November.
- A streamlined protocol for ensuring timely responses to community correspondence was developed and adopted.
- Four traffic updates were issued to the media during October. The update template is being constantly revised to take on board requests for more detail. The updates are provided to residents, emergency services, local schools, bus companies and relevant staff.
- Project information was provided to Gosford and Wyong Councils for their regular news columns in the Central Coast Express Advocate. This month's feature story was on the Wyong River fishway.
- A story on the economic and community benefits was provided to the *Rural Grapevine* and *Village Grapevine* focusing on the direct injection of funds to local businesses from the pipeline workforce and support for community projects. The articles also provided a snapshot of progress to date.
- The project pages of the joint water authority website continue to be updated with ongoing traffic information, media releases and construction progress reports.
- A project update letter was sent to all residents of the valley alerting them to the upcoming works in sector six and the likely impact on traffic. The letter also asked residents to ensure children and animals were not allowed in the construction corridor. While warning signs are in place, residents were asked to help monitor the situation.
- The team responded to six resident letters/emails during October. Traffic safety and damage to vehicles is an emerging issue which is being responded to by the contractor and Wyong Shire Council with an increased inspection and maintenance regime, regular sweeping of the road and recent major road rehabilitation.
- Four traffic emails were sent to more than 30 households who have sought direct traffic updates. Residents are encouraged in all articles and letters to join this list to receive direct updates from the team.
- Direct liaison with affected landholders is ongoing via the project's Property Team.
- A media event was held at the Wyong River weir and fishway to show this innovative Australian-first in terms of fishway design. The design will increase the effectiveness of the fishway particularly during low flows. The old fishway ceased to work around 40% of the time while modelling shows the new design will work 99% of the time in all but the very lowest of river flows. The resulting media was very positive.
- A brief update was provided to industry publication Pipeline Plant & Offshore Projects. A more complete article is being prepared for the publication highlighting many of the innovative construction and environmental elements of the project.
- During October, the Complaints Register had 10 entries. Five of these came

directly to the project office, one via email to the project office, three in letters and one visit, two were visits to the John Holland site office, three via the John Holland 1800 number. The majority of complaints were about damage to cars with windscreen and tyre damage.

- A number of complaints from October (50%) remain open as changes in personnel continue to impact on the maintenance of the register. A complete analysis of time taken to manage complaints cannot be done until the register is up to date.
- Damage to vehicles is now the number one complaint with residents (30%). An independent assessment of complaints is conducted by Council's risk management section as per standard procedure to determine liability.
- Complaints about traffic management continue to be received however the number has fallen from 9 in July to 2 in October. This is a direct result of improvements to the weekly traffic and works updates which provide very detailed and specific advice about potential traffic delays. This number is however likely to increase in November with sector 6 works ramping up in Yarramalong Road.

Incidents

- There have been no OH&S incidents during the last reporting period.
 - There has been one platypus sighting at the bridge at chainage 8600 on 16 November.
 - Archaeological investigations have been completed for the corduroy road discovered in the construction area of Kidmans Lane on 20 October 2010. The archaeologist's report was submitted to Council on 19 November.
-

Major Achievements / Issues

- Approximately 7.8km of pipeline for the Mardi-Mangrove Transfer Main (Work Package 7) has been laid.
- Construction of the 2km 1000mm nominal diameter mild steel cement lined (MSCL) pipeline for the Wyong-Mardi Rising Main (Work Package 3) has been completed. Restoration work is now underway.
- Installation of the twin inlet mains for the offtake structure to the new Wyong River Pump Station is complete, and sinking of the 43 reinforced concrete piles for the offtake structure has commenced (Work Package 1)
- Construction of the electrical switchboard building for Work Package 2 is complete. Delivery of electrical switch gear has commenced.
- Construction of the Mardi-Mangrove Transfer Pump Station is nearing completion. The installation of the overhead gantry crane within the building is complete.
- Progress on the high flow weir structure has been impacted by prolonged inclement weather.



Site preparation of the pipeline corridor (ch 7600) to prevent fertile top soils being contaminated with sub soil material.

ATTACHMENTS

Nil.

9.6 Activities of the Development Assessment Unit

TRIM REFERENCE: F2004/07830 - D02420170

AUTHOR: Jayne Doyle, Senior Administration Support Officer
MANAGER: Peter Fryar, Manager Development Assessments

SUMMARY

The report includes information and statistics regarding the operations of the Development Assessment Unit and covers the submission and determination of development, construction and subdivision applications for the month of October.

RECOMMENDATION

That Council receive the report on Activities of the Development Assessment Unit.

Development Applications Received and Determined

Type:	Number Received:	Estimated Value \$:	Number Determined:	Estimated Value \$:
Commercial	17	3,290,249	11	481,614
Industrial	1	900,000	2	85,000
Residential	89	15,547,951	93	12,529,300
Other	17	650,600	23	430,000
Total	124	20,388,800	129	13,525,914

Note: Included in the number of development applications lodged in the "Residential" category was a Senior Housing Development comprising of 32 Units at Long Jetty valued at \$6.5m.

Subdivision Applications Received and Determined

Type:	Number Received:	Number of Lots:	Number Determined:	Number of Lots:
Commercial	-	-	-	-
Industrial	-	-	1	1
Residential	5	10	8	16
Rural	-	-	-	-
Total	5	10	9	17

Net Median Turn-around Time

The net median turn-around time in working days for development applications determined during the month was **16** days. There were no priority applications determined during the month.

Other Approvals and Certificates

Type:	Number Determined:
Trees	30
Building Certificates	13
Construction Certificates	70
Complying Development Certificates	13

State Environmental Planning Policy No 1

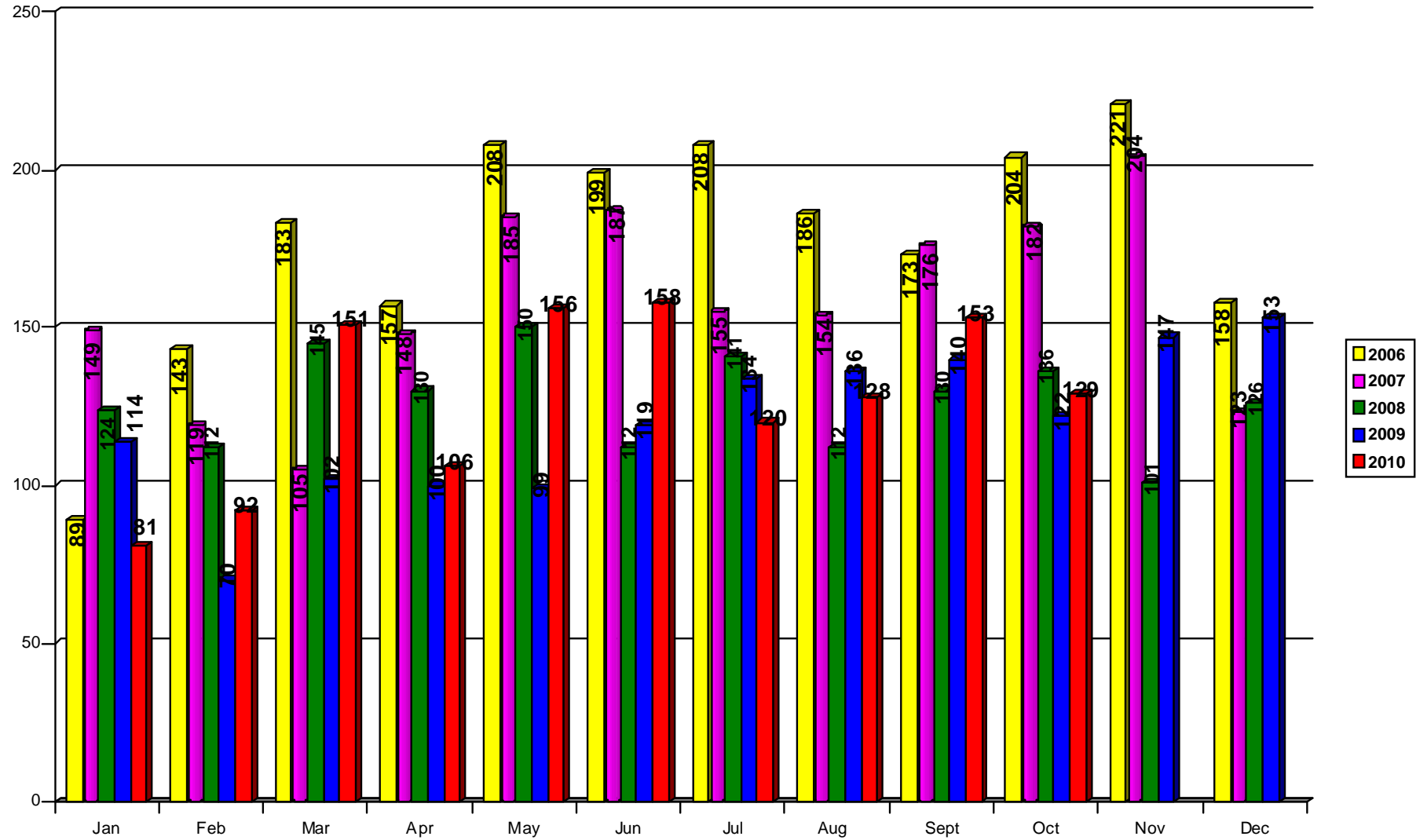
There were no applications that relied on SEPP 1 variations for the Month.

ATTACHMENTS

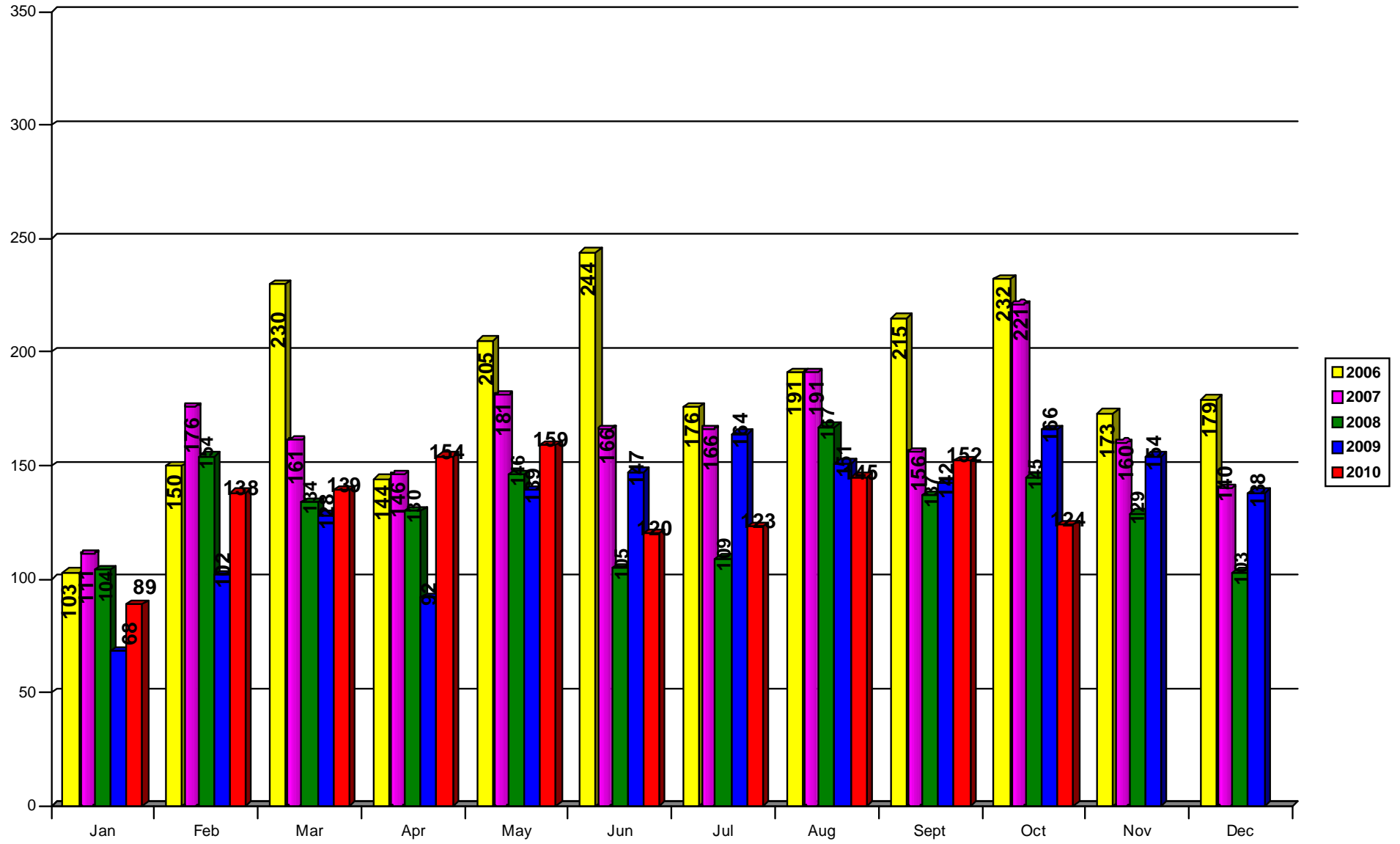
- 1 Graphs - Development Applications Lodged, Determined and Construction Certificates Determined

D02420203

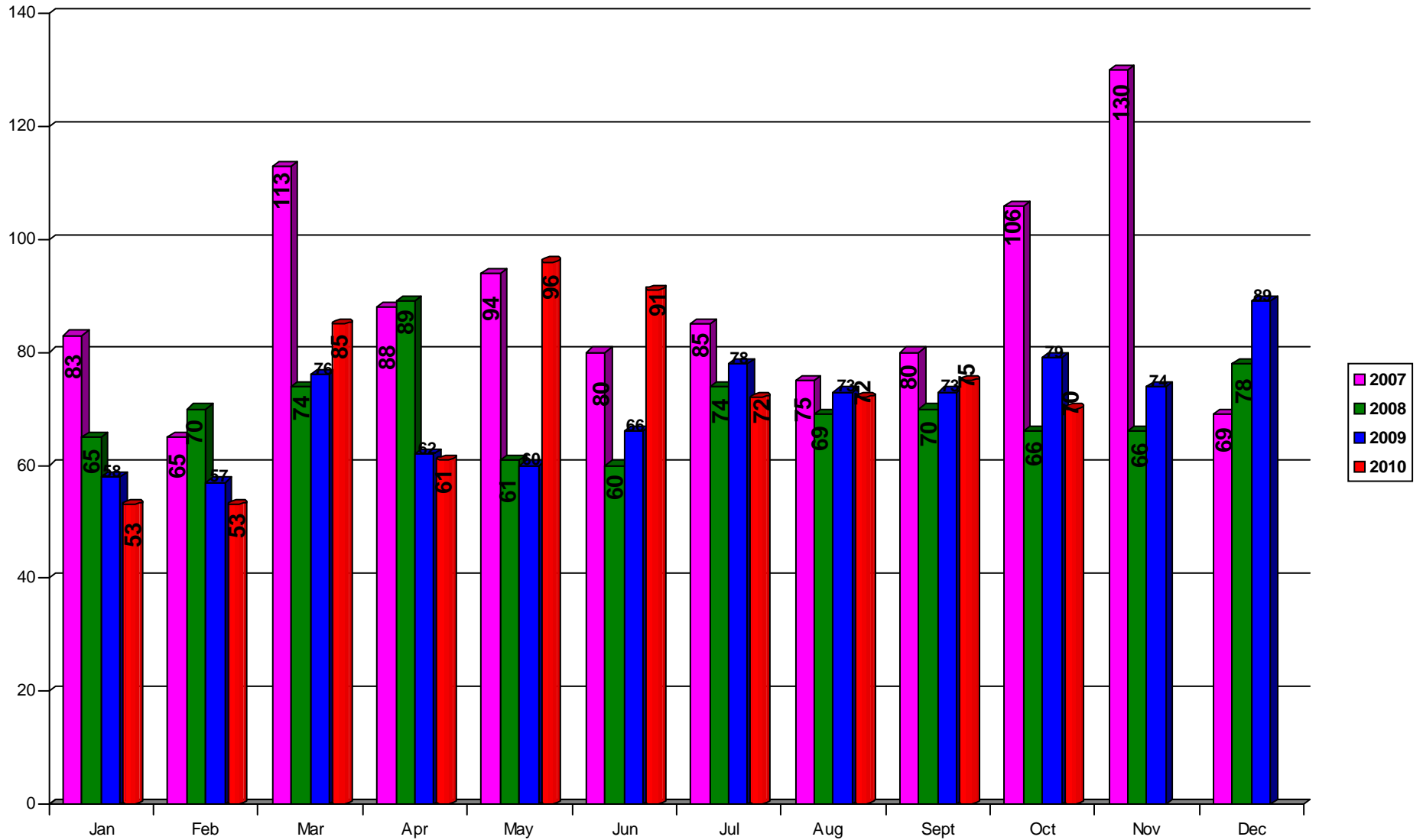
DAs DETERMINED



DAs LODGED



CCs DETERMINED



9.7 Investments for October 2010

TRIM REFERENCE: f2004/06604 - D02421729

AUTHOR: Hannah Pulham, Finance Officer

MANAGER: Greg Ashe, Manager Finance

SUMMARY

The following report details Council's investments as at 31 October 2010.

RECOMMENDATION

That Council receive the report on Investments for October 2010.

BACKGROUND

WSC's investments are made in accordance with the Local Government Act (1993), the Local Government (General) Regulation (2005), Council's Investment Policy, the Ministerial Investment Order issued in August 2008 and Division of Local Government Investment Policy Guidelines published in May 2010.

Council's portfolio includes investments in managed funds which were permitted under the previous Minister's order, however are now held under the "grand father" provisions of the current Ministers Order. Additionally, the investments held in Blackrock Care and Maintenance Fund and ING Enhanced are subject to wind up and termination of fund processes. This was the result of the flow on effects of the global financial crisis in 2008 which saw fund liquidity drop which resulted in the termination of both the Blackrock and ING funds.

CURRENT STATUS

In October 2010, the total net return was \$0.62m consisting of interest earnings \$0.32m and capital gains of \$0.30m.

Table 1 Investment Portfolio by Risk Category

	October 2010 \$ '000	Year-to-Date Returns		
		Total %	Interest Only \$ '000	Interest Only %
Cash at Call	165	9.45	227	9.45
Term Deposits	72,034	5.84	1,346	5.84
Cash Plus Funds	15	0.00	0	0.00
Cash Management Funds	8,271	22.14	69	1.84
Enhanced Income Funds	14,807	10.84	0	0.00
Total Investments	95,292	9.11	1,642	5.42

Returns of 9.11% (total) reflect WSC's capital recovery and compare favourably with the year-to-date UBSA Bank Bill Index of 4.91%.

9.7 Investments for October 2010 (contd)

Investment transactions and earnings during October 2010 are shown in Table 2 - Portfolio Performance.

Table 2 Portfolio Performance

	July - September 2010 \$m	October 2010 \$m	Year to Date 2010-11 \$m
<i>Movement in Assets</i>			
Opening Balance	126.39	84.26	126.39
Capital Gain/Loss – (see below)	0.92	0.30	1.22
Net Cash/Investments(Withdrawals)	(43.05)	10.73	(32.32)
Closing Balance	84.26	95.29	95.29
<i>Trading Position</i>			
Capital Gain/(Loss) Realised	-	-	-
Capital Gain/(Loss) Unrealised	0.92	0.30	1.22
Interest Earnings	1.32	0.32	1.64
Total Return for Period	2.24	0.62	2.86

Table2a Draw-downs

Month	Amount \$m	Funding Need	Placement
July	2.5	Mardi-Mangrove/Mardi Suite	Water a/c
August	2.5	Mardi-Mangrove/Mardi Suite	Water a/c
August	20.0	General operational cash	Current a/c
September	2.2	Mardi-Mangrove/Mardi Suite	Water a/c
September	2.0	Link Road Warnervale	Current a/c
September	15.0	General operational cash	Current a/c
October	(10.7)	Re-investment	Current a/c

Interest Returns

Returns as at 31 October 2010 show the July shortfall against budget continuing. This variance is typical of the difficulty in matching budget with actual interest distribution revenue which is in the hands of the fund managers.

Table 3 Interest Only Performance at 31 October 2010

Investment Source	YTD Budget \$ '000	YTD Actual \$ '000	Var. \$ '000
General Fund	1,210	752	(458)
Water	913	647	(266)
Sewerage	476	243	(233)
Total	2,599	1,642	(957)

In October, the lower overall interest return was due to the minimal interest distribution from managed funds. The interest rates in the month on term deposits, other than a statutory \$9.9m deposit for Workcover, ranged from 5.88% to 6.40% and these rates exceeded the Union of Switzerland Australia (UBSA) bank bill index for October of 5.06%.

Managed Funds

WSC has \$23.1m invested in managed funds which are “grandfathered” investments under the Ministers Order. These investments in October made modest capital gains of \$0.30m but there was a minimal return from cash distributions for the month.

The creditworthiness of these investments remains satisfactory.

- Blackrock Care and Maintenance Fund \$8.3 m – Residual balance of fund now held to maturity with distributions of capital made when assets in the portfolio mature or are sold. Income for October was \$148,756.
- ING Enhanced \$15,220 – Residual balance of fund now held to maturity with distributions of capital made when assets in the portfolio mature or are sold.
- Macquarie Income Cash Plus (renamed Global Income Opportunity in October) \$14.8m – income for the month \$156,399.
- LGFS Fixed Out-Performance Cash (fully redeemed in October) - income for the month \$13,326.

In late October staff have become aware of moves by Macquarie to relocate their investments away from their existing asset portfolio into assets of potential higher return but equally possible higher risk from Council’s point of view.

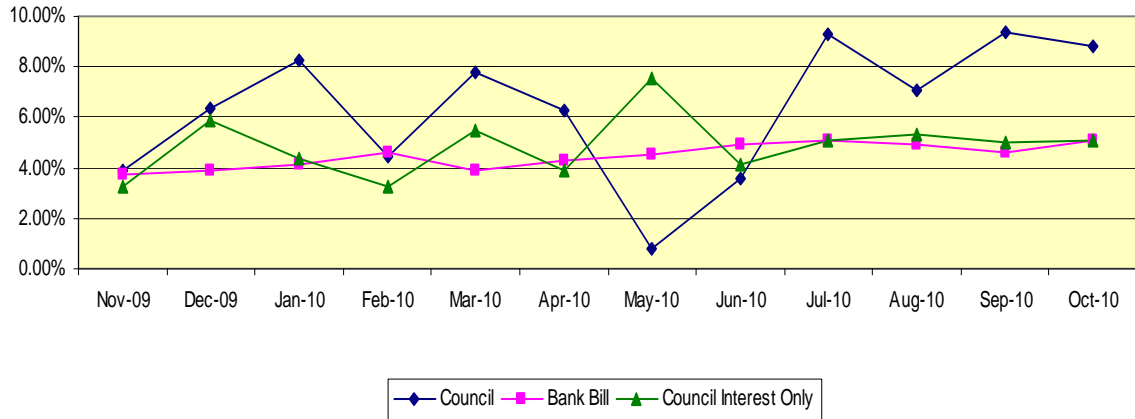
Once more detail is to hand, it is likely that the current investment will be withdrawn and re-deposited in funds suited to WSC’s requirements and direction.

Benchmark - Monthly Returns (Annualised)

Council’s overall investment return is compared to the UBSA Bank Bill Index. This is a common benchmark used in Local Government and establishes a minimum performance level.

A graph detailing the monthly return on a 12 monthly basis is as follows:

Table 4 Monthly Annualised Returns (Interest and Capital Movements)
Portfolio Performance Comparison to UBSA Bank Bill Index



Council: *Council Total Return (Interest and Capital)*
Bank Bill: *UBSA Bank Bill Index*
Council Interest Only: *Council Interest Earnings*

INVESTMENT STATEMENT

In accordance with the Local Government (General) Regulation 2005, Part 9, Division 5, Clause 212, it is certified that the investments held as at 31 October 2010 have been made in accordance with the Act, the Regulations and Council's Investment Policies.

CONCLUSION

Council has significantly reduced its holdings in managed funds, with the majority of investments now held in term deposits as required under the provisions of the ministerial investment order.

All investments are being carefully managed to ensure that value is added to the considerable fixed interest portfolio.

ATTACHMENTS

- 1 Summary of Investments by Type as at 31 October 2010 D02421866

Wyong Shire Council
Summary of Investments - By Type
As at 31 October 2010

FUND MANAGER	MATURITY	PORTFOLIO BALANCE 30.09.10 \$	PORTFOLIO BALANCE 31.10.10 \$	INCOME FOR MONTH \$	INTEREST RATES % p.a.
CASH AT CALL:					
ANZ High Yield Cash Account (AA)	Daily	165,326	164,489	509	
Total Cash At Call		165,326	164,489	509	
TERM DEPOSITS & BONDS					
T-Corp (WorkCover NSW)	03/12/2010	9,896,000	9,896,000	38,914	4.63
BankWest Term Deposit	12/10/2010	5,000,000	-	9,863	6.00
ANZ Term Deposit	19/11/2010	5,000,000	5,000,000	25,479	6.00
SunCorp Term Deposit	26/11/2010	2,000,000	2,000,000	10,701	6.30
SunCorp Term Deposit	06/12/2010	3,000,000	3,000,000	15,670	6.15
ANZ Term Deposit	06/12/2010	3,000,000	3,000,000	15,160	5.95
Westpac Term Deposit	21/12/2010	5,000,000	5,000,000	24,970	5.88
BankWest Term Deposit	20/01/2011	5,000,000	5,000,000	25,267	5.95
Westpac Term Deposit	08/03/2011	5,000,000	5,000,000	18,082	6.00
Bendigo/Adelaide Term Deposit	15/04/2011	5,000,000	5,000,000	27,178	6.40
NAB Term Deposit	18/04/2011	-	10,000,000	19,923	6.06
LGFS Term Deposit	17/05/2011	-	5,000,000	10,126	6.16
SunCorp Term Deposit	22/06/2011	5,000,000	5,000,000	26,966	6.35
IMB Term Deposit	18/07/2011	-	5,000,000	10,110	6.15
Westpac Deposit Bond	24/09/2012	4,144,800	4,138,439	24,834	5.13
Total Term Deposit & Bonds:		57,040,800	72,034,439	303,243	
CASH PLUS:					
ING Enhanced (A)	To be liquidated - Fund Termination in Process.	15,170	15,220	50	
Total Cash Plus		15,170	15,220	50	
CASH MANAGEMENT FUNDS:					
BlackRock Care & Maintenance Fund	June 2015 (Estimate)	8,121,848	8,270,604	148,756	
LGFS Fixed Out-Performance Cash Fund (AA-f)	Open Ended	4,261,785	-	13,326	
Total Cash Management Funds		12,383,633	8,270,604	162,082	
ENHANCED INCOME:					
Global Income Opportunity	Open Ended	14,650,898	14,807,298	156,400	
Total Enhanced Income		14,650,898	14,807,298	156,400	
TOTAL		84,255,827	95,292,050	622,284	

9.8 Water Supply Authority - Statutory Audit for the year ended 30 June 2010

TRIM REFERENCE: F2010/00115 - D02418410

AUTHOR: Stepen Goldborough, Senior Financial Accountant

MANAGER: Greg Ashe, Manager Finance

SUMMARY

This report brings before Council the Statutory Audit Report, and the Client Service Report of the Auditor-General, for the Water Supply Authority for the year ended 30 June 2010.

RECOMMENDATION

That Council receive the reports on Water Supply Authority - Statutory Audit for the year ended 30 June 2010.

BACKGROUND

The *Public Finance and Audit Act 1983* requires Wyong Shire Council (WSC) to prepare separate financial reports for the Water Supply Authority.

On 13 October 2010 Council approved that the draft Water Supply Accounts for the year ended 30 June 2010 be forwarded to Audit.

Audit of the Water Supply Authority is the responsibility of the Auditor-General for New South Wales. For the year ended 30 June 2010 the Auditor-General appointed Price Waterhouse as his agent, responsible for doing all the detailed audit work.

CURRENT STATUS

The Audit is complete and WSC has received three reports from the Auditor-General.

- 1 The Statutory Audit Report (part attachment 3), is addressed to the Mayor, and identifies major issues (if any) found in the audit.
- 2 The Independent Auditor's Report (part attachment 3) is unmodified and provides formal certification of the financial reports, and is addressed to the Minister for Water who administers the Wyong Water Supply Authority.
- 3 The Client Service Report is included as attachment 1 to this report. The Client Service Report is also addressed to the Mayor and lists some detail matters relating to the audit.

The auditor confirmed that there were no significant matters that required inclusion in the Statutory Audit Report.

ATTACHMENTS

- | | | |
|----------|---|-----------|
| 1 | Mayor - Client Service Report - Wyong Water Supply Authority - year ended 30 June 2010 - NSW Auditor General | D02393107 |
| 2 | Advise audit Wyong Water Supply Authority - Year ended 30 June 2010 Complete - Audit Office of NSW | D02413032 |
| 3 | Statutory Audit Report - Year End 30 June 2010 - Wyong Water Supply Authority - Auditor General New South Wales | D02415244 |



THE AUDIT OFFICE
OF NEW SOUTH WALES

CONTACT NAME Maria Spriggins
TELEPHONE 9275-7164
OUR REFERENCE D1029118/1071/vc
YOUR REFERENCE

Councillor R L Graham
Mayor
Wyong Water Supply Authority
C/o Wyong Shire Council
PO Box 20
WYONG NSW 2259

5 October 2010

Dear Councillor Graham

**Client Service Report
for the Year Ended 30 June 2010
Wyong Water Supply Authority**

The attached Client Service Report gives the Wyong Shire Council the opportunity to assess the audit findings, before the management representation letter and the statement required under section 41C of the *Public Finance and Audit Act 1983* (the Act) are signed. These findings are relevant to you in your role as one of those charged with governance.

My audit is designed to obtain reasonable assurance the financial statements are free from material misstatement. It is not designed to identify all matters of governance interest. However, those matters of governance interest that did come to my attention during my audit are included in this report.

Shortly, I will send you the Management Letter containing more detailed explanations of the matters summarised in this report.

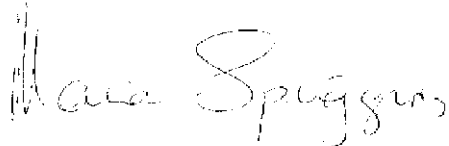
I anticipate that I will issue an unmodified Independent Auditor's Report (IAR). The IAR will be issued after:

- the audit team completes the review of agreed changes to the financial statements
- I receive the signed management representation letter and the statement required under the Act, and
- the audit team updates the review of 'events after the reporting date'.

I appreciate the assistance and cooperation management and staff have provided to the audit team.

If you need more information about our audit, please contact me on 9275 7164 or Olive Ferino on 9275 7100.

Yours sincerely

A handwritten signature in black ink that reads "M T Spriggins". The signature is written in a cursive style with a large, prominent 'S'.

M T Spriggins
Director, Financial Audit Services

Cc Dennis Banicevic, Director,
PricewaterhouseCoopers



WYONG WATER SUPPLY AUTHORITY

Client Service Report
for the Year Ended 30 June 2010



THE AUDIT OFFICE
OF NEW SOUTH WALES

WYONG WATER SUPPLY AUTHORITY
CLIENT SERVICE REPORT
for the Year Ended 30 June 2010

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1. INTRODUCTION

This report informs the Wyong Shire Council of the audit findings relevant to those charged with governance. If we find further matters when finalising the audit, I will write again.

2. AUDIT OUTCOME AND REPORTS

Independent Auditor's Report

I anticipate the Independent Auditor's Report will be unmodified. I will sign the Independent Auditor's Report after I receive the signed financial statements.

Statutory Audit Report

I expect to issue the Statutory Audit Report at the same time as the Independent Auditor's Report.

Other Audit Reports

Volume Seven of the 2010 Auditor-General's Report to Parliament will incorporate the results of our audit. Your agency will have an opportunity to comment on a draft of this Report before it is tabled in Parliament in November 2010.

3. AUDIT FINDINGS

Monetary Misstatements and Disclosure Deficiencies in the Financial Statements

Auditing Standards require me to bring to your attention matters of governance interest which we identified during the audit of the financial statements. The following tables detail the effect of monetary misstatements and disclosure deficiencies on the financial statements. Significant errors are reported individually, however, trivial errors are reported in aggregate only.

The Act requires your agency to request the Auditor-General to approve amendments to the financial statements. Such amendments can delay the audit and may increase audit costs. Management can reduce the number of amendments by implementing additional review procedures. Monetary misstatements and disclosure deficiencies identified after the financial statements were submitted for audit, even if corrected, will be reported in the Statutory Audit Report and if indicative of systemic weaknesses will be reported in the Management Letter.

Corrected Monetary Misstatements

Description of Error/ Account Balance	Assets	Liabilities	Retained Earnings	Other Equity	Statement of Comprehensive Income
	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)
	\$'000	\$'000	\$'000	\$'000	\$'000
Misstatements identified and corrected in this period					
Known Misstatements					
Unrecorded liability	--	(275)	N/A	--	275
Revaluation correction on depreciation expense and asset revaluation reserve (\$934,000, nil impact in Statement of Comprehensive Income)	--	--	N/A	--	--
Total impact	--	(275)	N/A	--	275

Corrected Disclosure Deficiencies

AASB Reference	Disclosure Title	Description of Disclosure Deficiency
AASB 116	Property Plant and Equipment	Accounting policies on property plant and equipment were enhanced to comply with AASB 116
AASB 101	Presentation of Financial Statements	Policy on presentation in Australian dollars and rounding used in the presentation of amounts in the financial statements was added

Compliance with Legislative Requirements

As advised in the Terms of Engagement, my audit procedures are targeted specifically towards forming an opinion on the Wyong Water Supply Authority's financial statements. This includes considering whether the Authority has complied with legislative requirements that may materially impact the financial statements. The results of the audit are reported in this context.

The results of our review were satisfactory.

Other Matters

In our Annual Client Service Plan, sent to Wyong Water Supply Authority on 24 May 2010, we identified key issues affecting Wyong Water Supply Authority. We also described how our audit would address those issues. Listed below are the results of our audit work.

- PwC reviewed the revaluation of infrastructure assets and agreed that valuation complied materially with AASB116 'Property, Plant and Equipment'
- In 2008-09 and 2007-08, the Authority made losses of \$22 million and \$24 million respectively. This year the Authority finished the year with a surplus of \$8 million. This is mainly attributable to the receipt of \$13 million in funding for the Mardi-Mangrove link project. User fees and charges are charged in line with IPART requirements and these are expected to cover the cost of operations in future years. No going concern issues have been identified.
- In 2008-09, result included a \$3 million overstatement of revaluation of network assets through indexing. This was corrected this year by ensuring that the revaluation of network assets through indexing was reduced by the prior year overstatement of \$3 million. PwC confirmed the accuracy of the calculation of the indexed revaluations in 2009-10
- In 2008-09, \$20 million in notional borrowings from the General Fund existed as a new \$35 million loan was not taken up until during 2009-10 and therefore, insufficient cash/investments were available at 30 June 2009 to cover internal/external restrictions. The \$35 million loan was taken out during the year and there was no longer a shortage of cash/investments to cover internal/external restrictions. No further disclosure required in the financial statements.
- In 2009 Client Service Report, a list of 8 minor disclosure deficiencies were identified in the 2009 financial statements. PwC ensured that these deficiencies were corrected in the 2010 financial statements.
- The proposed formation of the Central Coast Water Corporation continues with no definite plans at 30 June 2010 and therefore, there are no associated liabilities to be recorded in the financial statements of the Authority at 30 June 2010.

4. THE AUDIT PROCESS

Management Co-operation

We appreciated the co-operation we received from your staff throughout our audit. In particular the co-operation and assistance provided by your finance team was appreciated.

Audit Fees

The estimated audit fee of \$80,190 including GST of \$7,290 was communicated to you in our annual Client Service Plan. I am not aware of any cost overrun in respect of this audit.

Next Year's Audit

We welcome any comments you would like to make about the audit process.



THE AUDIT OFFICE
OF NEW SOUTH WALES

CONTACT NAME Maria Spriggins
TELEPHONE 02 9275-7164
OUR REFERENCE D1032527/1071/mh
YOUR REFERENCE

Councillor D Eaton
Mayor
Wyong Water Supply Authority
C/o Wyong Shire Council
PO Box 20
WYONG NSW 2259

22 October 2010

Dear Councillor Eaton

**Management Letter on the Audit
for the Year Ended 30 June 2010**

Our audit for the year ended 30 June 2010 is complete.

Our audit did not identify any significant matters of governance interest that you need to address and no significant matters identified during previous audits remain unresolved.

My audit is designed to obtain reasonable assurance the financial statements are free from material misstatement. My audit is not designed to identify all matters that may be of governance interest to you. Accordingly, there may be matters of governance interest that did not come to my attention during my audit.

The fact our audit did not identify any significant matters to report to you does not mean there are no matters of governance interest you should be aware of. Neither does this report absolve you from meeting your financial and management responsibilities.

My audit is continuous and we may therefore identify new matters. If this occurs, I will advise you in a timely manner.

If you would like to discuss this letter further, please contact me on 9275 7164 or Olive Ferino on 9275 7100.

Yours sincerely

M T Spriggins
Director, Financial Audit Services



GPO BOX 12
Sydney NSW 2001
9275 7164
D1032476/1071

Councillor D Eaton
Mayor
Wyong Water Supply Authority
C/o Wyong Shire Council
PO Box 20
WYONG NSW 2259

19 October 2010

Dear Councillor Eaton

STATUTORY AUDIT REPORT

For the Year Ended 30 June 2010

Wyong Water Supply Authority

I have audited the financial statements of the Wyong Water Supply Authority (the Authority) as required by the *Public Finance and Audit Act 1983* (the Act). This Statutory Audit Report outlines the results of my audit for the year ended 30 June 2010, and details matters found during the audit that are relevant to you in your role as one of those charged with the governance of the Authority. The Act requires that I send this report to the Authority, the Minister and the Treasurer.

This report is not the Independent Auditor's Report, which expresses my opinion on the Authority's financial statements. I have enclosed the Independent Auditor's Report, together with the Authority's financial statements.

My audit is designed to obtain reasonable assurance the financial statements are free from material misstatement. My audit is not designed to identify all matters that may be of governance interest to you. Accordingly, there may be other matters of governance interest that did not come to my attention during my audit.

My audit is continuous and I may therefore identify new significant matters. If this occurs, I will write to you immediately.

Audit Result

I expressed an unmodified opinion on the Authority's financial statements and I have not identified any significant matters since my previous Statutory Audit Report.

Misstatements in Financial Statements

The financial statements contained misstatements which are listed in the attached appendix.

Compliance with Legislative Requirements

My audit procedures are targeted specifically towards forming an opinion on the Authority's financial statements. This includes testing whether the Authority has complied with legislative requirements that may materially impact on the financial statements. The results of the audit are reported in this context. My testing did not identify any material instances of non-compliance.


Auditor-General's Report to Parliament

Comment on the Authority's activities, financial operations, performance and compliance will appear in the Auditor-General's Report to Parliament. I will send a draft of this comment to the Authority for review before the Report is tabled during November 2010.

Acknowledgment

I thank the Authority's staff for their courtesy and assistance.

Yours sincerely



M T Spriggins
Director, Financial Audit Services

Appendix

Misstatements in the Financial Statements

Auditing Standards require me to bring to your attention matters of governance interest which arose during the audit of the financial statements submitted to the Auditor-General. The following tables detail the effect of misstatements on the financial statements. Significant misstatements are reported individually, however, trivial misstatements are reported in aggregate only.

Corrected Monetary Misstatements

Description of Error/ Account Balance	Assets	Liabilities	Retained Earnings	Other Equity	Statement of Comprehensive Income
	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)	DR/(CR)
	\$'000	\$'000	\$'000	\$'000	\$'000

Misstatements identified and corrected in this period

Known Misstatements					
Unrecorded liability	--	(275)	N/A	--	275
Revaluation correction on depreciation expense and asset revaluation reserve (\$934,000, nil impact in Statement of Comprehensive Income)	--	--	N/A	--	--
Total impact	--	(275)	N/A	--	275

Corrected Disclosure Deficiencies

AASB Reference	Disclosure Title	Description of Disclosure Deficiency
AASB 116	Property Plant and Equipment	Accounting policies on property plant and equipment were enhanced to comply with AASB 116
AASB 101	Presentation of Financial Statements	Policy on presentation in Australian dollars and rounding used in the presentation of amounts in the financial statements were added.



GPO BOX 12
Sydney NSW 2001

INDEPENDENT AUDITOR'S REPORT

Wyong Water Supply Authority

To the Minister for Wyong Water Supply Authority

I have audited the accompanying financial statements of Wyong Water Supply Authority (the Authority), which comprise the balance sheet as at 30 June 2010, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes.

Auditor's Opinion

In my opinion, the financial statements:

- present fairly, in all material respects, the financial position of the Authority as at 30 June 2010, and its financial performance for the year then ended in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations)
- are in accordance with section 41B of the *Public Finance and Audit Act 1983* (the PF&A Act) and the Public Finance and Audit Regulation 2010.

My opinion should be read in conjunction with the rest of this report.

Wyong Shire Council's Responsibility for the Financial Statements

The Councillors of the Wyong Shire Council are responsible for the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the PF&A Act. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

My responsibility is to express an opinion on the financial statements based on my audit. I conducted my audit in accordance with Australian Auditing Standards. These Auditing Standards require that I comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal controls relevant to the Authority's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Councillors of the Wyong Shire Council, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

My opinion does not provide assurance:

- about the future viability of the Authority
- that it has carried out its activities effectively, efficiently and economically
- about the effectiveness of its internal controls.

Independence

In conducting this audit, the Audit Office of New South Wales has complied with the independence requirements of the Australian Auditing Standards and other relevant ethical requirements. The PF&A Act further promotes independence by:

- providing that only Parliament, and not the executive government, can remove an Auditor-General
- mandating the Auditor-General as auditor of public sector agencies, but precluding the provision of non-audit services, thus ensuring the Auditor-General and the Audit Office of New South Wales are not compromised in their role by the possibility of losing clients or income.



M T Spriggins
Director, Financial Audit Services

19 October 2010
SYDNEY

Wyong Shire Council Water Supply Authority
General Purpose Financial Statements
for the year ended 30 June 2010

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Nothing contained within this report may be taken to be an admission of any liability to any person under any circumstance.

Wyong Shire Council Water Supply Authority

Financial Statements for the year ended 30 June 2010

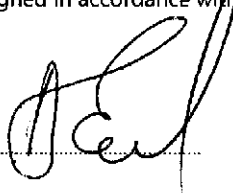
Statement by Councillors and Management made pursuant to section 41c (1b) & (1c) of the Public Finance and Audit Act 1983

Pursuant to section 41c (1b) & (1c) of the *Public Finance and Audit Act 1983* we state that:

1. These financial statements present a true and fair view of the financial position of the Wyong Shire Council Water Supply Authority as at 30 June 2010 and its performance, as represented by the results of its operations and its cash flows for the year ended on that date.
2. The financial statements have been prepared in accordance with the *Public Finance & Audit Act 1983*, Australian Accounting Standards, including Australian Accounting Interpretations, and the *Public Finance & Audit Regulation 2010*.

We are not aware of any circumstances at the date of these statements that would render any particulars included in the financial statements to be misleading or inaccurate.

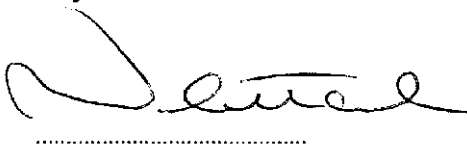
Signed in accordance with a resolution of Council made on 13 October 2010:



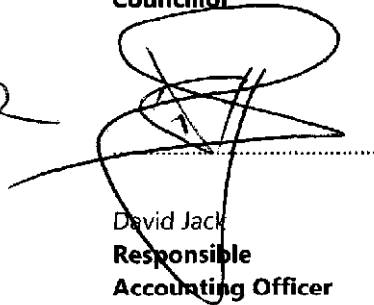
Doug Eaton
Mayor



Bob Graham
Councillor



Michael Whittaker
General Manager



David Jack
**Responsible
Accounting Officer**

3

Wyong Shire Council Water Supply Authority**Income statement
for the year ended 30 June 2010**

	Notes	2010 \$'000	2009 \$'000
Income from continuing operations			
Annual charges	2(a)	37,485	30,672
User charges and fees	2(b)	22,464	20,358
Interest	2(c)	3,318	753
Other	2(d)	3,232	569
Grants and contributions operating	2(e,f)	1,546	1,404
Grants and contributions capital	2(e,f)	19,140	5,146
Gain from the disposal of assets	4	-	-
Total income from continuing operations		87,185	58,902
Expenses from continuing operations			
Employee costs	3(a)	14,487	14,867
Borrowing costs	3(b)	7,922	7,346
Materials and contracts	3(c)	8,718	10,511
Depreciation	3(d)	28,223	25,479
Other	3(e)	19,912	22,989
Loss from the disposal of assets	4	-	-
Total expenses from continuing operations		79,262	81,192
Surplus/Deficit for the year		7,923	(22,290)
Attributable to Wyong Shire Council		7,923	(22,290)

This Income statement should be read in conjunction with the following notes.

Wyong Shire Council Water Supply Authority**Statement of comprehensive income
for the year ended 30 June 2010**

Notes	2010 \$'000	2009 \$'000
Surplus (deficit) for the year	<u>7,923</u>	<u>(22,290)</u>
Other comprehensive income		
Gain / (Loss) on revaluation of infrastructure, property, plant & equipment	91,017	31,041
Total other comprehensive income for the year	91,017	31,041
Total comprehensive income for the year	<u>98,940</u>	<u>8,751</u>
Attributable to		
Wyong Shire Council	<u>98,940</u>	<u>8,751</u>

This Comprehensive income statement should be read in conjunction with the following notes.

Wyong Shire Council Water Supply Authority

Balance sheet as at 30 June 2010

	Notes	2010 \$'000	2009 \$'000
Current assets			
Cash and cash equivalents	5	25,298	5,265
Investments	5	33,842	34,559
Receivables	6	23,021	16,404
Inventories	7	373	289
Total current assets		82,534	56,517
Non-current assets			
Investments	5	1,278	1,278
Receivables	6	624	695
Infrastructure, property, plant and equipment	8	1,143,103	1,020,946
Intangible assets	16	895	1,183
Total non-current assets		1,145,900	1,024,102
Total assets		1,228,434	1,080,619
Current liabilities			
Payables	9	18,512	8,915
Borrowings	9	9,808	27,129
Provisions	9	4,670	4,408
Total current liabilities		32,990	40,452
Non-current liabilities			
Payables	9		
Borrowings	9	160,913	103,929
Provisions	9	1,036	1,341
Total non-current liabilities		161,949	105,270
Total liabilities		194,939	145,722
Net assets		1,033,495	934,897
Equity			
Retained earnings	15	611,579	603,998
Asset revaluation reserve	15	421,916	330,899
Total equity		1,033,495	934,897

This Balance sheet should be read in conjunction with the following notes.

6

Wyong Shire Council Water Supply Authority

Statement of changes in equity for the year ended 30 June 2010

Note	2010					2009				
	Retained Earnings \$'000s	Asset Revaluation Reserve \$'000s	Authority Equity Interests \$'000s	Outside Equity Interests \$'000s	Total Equity \$'000s	Retained Earnings \$'000s	Asset Revaluation Reserve \$'000s	Authority Equity Interests \$'000s	Outside Equity Interests \$'000s	Total Equity \$'000s
15	603,998	330,899	934,897		934,897	626,629	299,859	926,488		926,488
15	7,923	91,017	98,940		98,940	(22,289)	31,040	8,751		8,751
	(342)		(342)		(342)	(342)		(342)		(342)
	611,579	421,916	1,033,495		1,033,495	603,998	330,899	934,897		934,897

Balance at beginning of the reporting period

Total comprehensive income

Taxation equivalent dividend payment

Balance at end of the reporting period

This Statement of changes in equity should be read in conjunction with the following notes.

Wyong Shire Council Water Supply Authority

Statement of cash flows for the year ended 30 June 2010

	Notes	2010 \$'000	2009 \$'000
Cash flows from operating activities			
Receipts:			
Receipts from customers		59,850	50,947
Interest		2,570	2,149
Grants provided by Government		14,303	1,248
Contributions and donations		3,598	2,419
Other		6,829	9,868
Payments :			
Employee benefits and on-costs		(14,433)	(14,415)
Materials and contracts		(12,029)	(11,011)
Interest		(7,888)	(7,462)
Other		(28,315)	(31,133)
Net cash provided by (or used in) operating activities	10(b)	24,485	2,610
Cash flows from investing activities			
Receipts:			
Sale of investments		65,673	43,319
Payments:			
Purchase of investments		(64,171)	(37,414)
Purchase of infrastructure, property, plant and equipment		(45,275)	(17,781)
Net cash provided by (or used in) investing activities		(43,773)	(11,876)
Cash flows from financing activities			
Receipts:			
Borrowings		70,000	
Advances			20,000
Payments:			
Borrowings		(10,337)	(7,324)
Advances		(20,000)	-
Dividend payment		(342)	(342)
Net cash provided by (or used in) financing activities		39,321	12,334
Net increase / (decrease) in cash held		20,033	3,068
Cash at beginning of reporting period		5,265	2,197
Cash at end of reporting period	10(a)	25,298	5,265

This Statement of cash flows should be read in conjunction with the following notes.

Notes to the financial statements for the year ended 30 June 2010

Note 1 – Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) The Water Supply Authority reporting entity

Wyong Shire Council, within its overall statutory responsibilities, is a statutory authority for water supply and related purposes, under the *Water Management Act 2000*. The principal business office of the Wyong Shire Council is at 2 Hely St Wyong NSW 2259. The Water Supply Authority (the "Authority") controls resources to carry out water supply, sewerage, stormwater drainage and ancillary activities within the Wyong local government area, and these functions have been consolidated in these financial statements.

The financial statements have been authorised for use in accordance with the resolution of Council on on *{insert date}*

The security for new loans for water and sewerage functions is a charge on the general revenues of the council, in accordance with section 229 of the *Local Government (General) Regulation (2005)*.

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements and interpretations of the Australian Accounting Standards Board, the *Local Government Act 1993*, the *Public Finance and Audit Act 1983*, and the *Public Finance and Audit Regulation 2010*.

All amounts shown in the financial statements are in Australian currency and have been rounded to the nearest thousand dollars.

Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through

profit or loss, certain classes of property, plant and equipment and investment property.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Authority's accounting policies.

Financial statement presentation

The Authority has applied the revised *AASB 101, Presentation of Financial Statements* which became effective on 1 January 2009. The revised standard requires the separate presentation of a statement of comprehensive income and a statement of changes in equity. All non-owner changes in equity must now be presented in the statement of comprehensive income. As a consequence, the Authority had to change the presentation of its financial statements. Comparative information has been re-presented so that it is also in conformity with the revised standard.

(c) Revenue recognition

The Authority recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Authority's activities as described below. The Authority bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Annual charges, grants and contributions

Annual charges, grants and contributions (including developer contributions) are recognised as revenues when the Authority obtains control over the assets comprising these receipts. Developer contributions may only be expended for the purposes for which the contributions were required but the Authority may apply contributions according to the priorities established in work schedules.

Control over assets acquired from annual charges is obtained at the commencement of the reporting period as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of

the rates.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and is valued at their fair value at the date of transfer.

Income is recognised when the Authority obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Authority and the amount of the contribution can be measured reliably.

User charges and fees

User charges and fees are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

Sale of plant, property, infrastructure and equipment

The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Interest and rents

Interest and rents are recognised as revenue on a proportional basis when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

(d) Consolidation principles

The Consolidated Fund

Wyong Shire Council is legally required to maintain a Consolidated Fund under the *Local Government Act 1993* s 409(1). The fund is to receive all council cash and property income except for those assets specifically required to be held in a Trust Fund. The accounting for Water Supply Authority functions is maintained by keeping separate accounting funds, subordinate to the Consolidated fund, in the general ledger, for Water (including drainage) and for Sewerage.

These financial statements represent the consolidation of the Water and Sewerage funds.

The notional cash and investment assets of the Authority are represented in practice by an equity interest in the general cash and investment assets of the Wyong Shire Council as a whole, and all investment assets and bank accounts are held in the name of the Wyong Shire Council.

The Trust Fund

In accordance with the provisions of the *Local Government Act 1993* s 411, a separate and distinct Trust Fund is maintained to account for all monies and property received by the Authority in trust which must be applied only for the purposes of, or in accordance with, the trusts relating to these monies. Trust monies and property subject to the council's control, in respect of water and sewerage functions have been included in these reports.

Trust monies and property held by the council but subject to the control of other persons have been excluded from these reports. A separate statement of moneys held in the Trust Fund is available for inspection at the council office by any person free of charge.

Joint Ventures - jointly controlled assets

The Authority is a joint venturer in the provision of core water supply infrastructure serving both Gosford and Wyong council areas. The proportionate interests in the assets, liabilities and expenses of this joint venture activity have been incorporated in the financial statements under the appropriate headings. Details of the joint venture, including the Authority's share in assets and expenses, are set out in note 12 below.

(e) Leases

Leases of property, plant and equipment, where the lessee has substantially all the risks and rewards of ownership, are classified as finance leases. The Authority presently has no obligations under finance leases.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the lessee are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the income statement on a straight-line basis over the period of the lease.

Lease income from operating leases where the Authority is a lessor is recognised in income on a straight-line basis over the lease term.

(f) Acquisition of assets

The purchase method of accounting is used to account for all acquisitions of assets. Cost is measured as the fair value of the assets given, plus costs directly attributable to the acquisition.

Where settlement of any part of cash consideration is deferred, the amounts payable in future are discounted back to their present value as at the date of exchange. The discount rate used is the Council's incremental borrowing rate, or the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

(g) Impairment of non-financial assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment, or more often if events or changes in circumstances indicate that they might be impaired.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount might not be recoverable.

The Water Supply Authority is a not-for-profit organisation. As a not-for-profit entity with no cash generating units, the authority is effectively exempted from AASB 136 *Impairment of Assets* and impairment testing. This is because AASB 136 modifies the recoverable amount test to the higher of fair value less costs to sell and depreciated replacement cost. This means, for an asset already measured at fair value, impairment can only arise if costs are material.

Non-financial assets other than impaired goodwill are reviewed for a possible reversal of the impairment at each reporting date.

(h) Cash and cash equivalents

"Cash and cash equivalents" includes cash on hand, on deposit, and on call, and also short-dated investments, with known or readily estimable payouts and an original term to maturity of 90 days or less.

Bank overdrafts are classified as a borrowing in the current liabilities section of the balance sheet.

(i) Receivables

Loans made to sporting and community groups at concessional interest rates are recognised at their nominal amounts; interest revenues foregone by the Authority effectively being a reduction of interest revenue in the period to which it relates.

(j) Inventories

Raw materials and stores, works in progress and

finished goods

Raw materials and stores, works in progress and finished goods are stated at the lesser of cost and net realisable value. Cost comprises direct materials, direct labour, and an appropriate proportion of variable and fixed overhead expenditure where there is an appropriate basis for allocating such costs. Net realisable value is the estimated selling price in the normal course of business less any related transaction costs.

The Authority does not currently operate any cash flow hedging in relation to the purchase of supplies.

Inventories held in store have been valued by using the weighted average cost on a continual basis, after any necessary adjustment for loss of service potential. Discounts and premiums on purchase are included in the calculation of average cost.

Land held for resale

Land held for resale is stated at the lesser of cost and net realisable value. Cost is assigned by specific identification and includes the costs of acquisition and development and of directly attributable borrowing costs during development. If the development is complete, or if development has been interrupted due to significant external factors, borrowing costs are treated as an expense.

(k) Non current assets (or disposal groups) held for sale and discontinued operations

As at the reporting dates 30 June 2009 and 30 June 2010 the Authority carried no amount on its balance sheet in respect of non current assets held for sale or in respect of discontinued operations, and has not recorded any income or expense transactions related to these categories in the financial years ending on those dates.

Non current assets are classified as held for resale if their carrying amount will be principally recovered through a sale transaction.

Discontinued operations are the Authority functions or projects which will be, or have been transferred, to another entity. Generally, the Authority would receive some amount of compensation for the value of assets transferred.

(l) Investments and other financial assets

Classification

The Authority classifies its investments and financial

assets under the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The Authority does not hold, and never has held, any derivative financial assets. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

Financial assets at fair value through profit and loss

Financial Assets at fair value are financial assets held for trading. The Authority classifies financial assets as fair value through profit and loss if the Authority intends to trade them before maturity with the purpose of generating a profit from fluctuations in price. These assets are classified as current assets.

Loans and Receivables

Loans and receivables are non derivative financial assets with fixed or determinable payments that are not traded in an active market. They are included in current trade and other receivables except where the asset matures more than twelve months from balance date. In the latter case the asset is classified as a non-current trade and other receivable.

Held-to-Maturity Investments

The Authority defines financial assets as held to maturity where amounts receivable are fixed or determinable and the Authority has a positive intention of holding the asset until maturity. If the Authority were to sell other than an insignificant amount of held to maturity investments, the whole category would be tainted and reclassified as available for sale. These assets are valued at amortised cost less any impairment losses. For investments carried at amortised cost, gains and losses are recognised in the Income Statement when the investments are derecognised or impaired as well as through the amortisation process. Held to maturity assets are included as non current assets except for those with maturities less than 12 months, which are classified as current assets.

Available-for Sale assets

Investments are classified as Available for Sale either when so designated by the Authority or when an investment does not fall into any other category. This group typically includes equity securities and other instruments whose future cash flows are not fixed or determinable. Gains and losses are taken to a revaluation reserve rather than to the Income

Statement. They are included in non-current assets unless the Authority intends to dispose of the asset within 12 months of the reporting date.

Financial assets - reclassification

The Authority may choose to reclassify a non derivative investment out of the fair value through profit and loss category if the asset is no longer held for the purpose of sale in the near term. This would usually be in exceptional circumstances only, circumstances such as a significant and unique event unlikely to recur in the near term.

Reclassifications are made at fair value as of the reclassification date. Fair Value becomes the new cost or amortised cost as applicable, and no reversals of fair value gains recorded before classification are subsequently made.

Effective interest rates for financial assets transferred into the fair value through profit and loss, or held to maturity, categories are determined at the transfer date.

Financial Assets - recognition

Investments are generally recognised at trade date. This is date on which consideration is received by the investment counterparty. Incidental costs of acquisition for financial assets classified as fair value through profit and loss are expensed, and for other categories, are treated as part of the direct acquisition cost.

Financial Assets - subsequent measurements

Loans and receivables, and held-to-maturity investments are carried at amortised cost using the effective interest method. Other financial assets are held at carried at fair value. Capital gains or losses on held-to-maturity investments, and realised losses on available for sale investments, are disclosed as fair value adjustments (investments) in Note 2 following. Dividend income from fair value through profit and loss investments is recognised as investment income when the Authority's right to receive payments is established.

Details on how the fair value of financial instruments is determined are disclosed in note 1(f).

Financial Assets - derecognition

Investments are derecognised when the rights to future cash flows pass to the investment counterparty. If the investment is classified as available for sale, accumulated fair value

adjustments that had been recognised in equity are included in the income statement as gains and losses from investment securities.

Financial Assets – impairment

The Authority assesses the extent to which its financial assets have been impaired as at each reporting date.

Impairment on assets held at amortised cost is calculated as the difference between carrying costs and the estimated present value of future cash flows. The original effective rate for calculating amortised cost is to be used in this new calculation. The amount of the loss is recognised in the income statement.

For available for sale investments a prolonged period of decline in market values is taken as an indication that an asset may be impaired. Recognition of the impairment involves transferring the substantial amount of such a loss from equity to the income statement. Once such recognition has been made, it cannot be reversed.

Investment Policy

The Authority has an approved investment policy which conforms to the requirements of the Local Government Act (NSW) 1993, regulations made under the Act, and the Minister for Local Government's Investment Order gazetted in August 2008.

Investments are placed in accordance with the policy. The Authority's policy ensures that it or its representatives exercise prudence, care, diligence and skill in the investment of funds.

(m) Fair value estimation

The fair value of financial assets and financial liabilities must be estimated for recognition and measurement or for disclosure purposes.

The fair value of financial instruments traded in active markets is based on quoted prices at reporting date. Other securities are valued at fair value based on the present value of future cash flows and the yield rate used in the discount calculation is based on market yield rates for comparable securities.

The nominal values less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is

estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Authority for similar financial instruments.

(n) Infrastructure, property, plant & equipment

Infrastructure, property, plant and equipment is measured on an existing use basis, where there are no feasible alternative uses in the existing natural, legal, financial and socio political environment. However, in the limited circumstances where there are feasible alternative uses, assets are valued at their highest and best use.

Fair value of infrastructure, property, plant and equipment is determined based on the best available market evidence, including current market selling prices for the same or similar assets. Where there is no available market evidence, the asset's fair value is measured at its market buying price, the best indicator of which is depreciated replacement cost.

The Authority's assets are being progressively revalued to fair value in accordance with a staged implementation advised by the Division of Local Government. At balance date the following classes of IPPE were stated at their fair value:

- Operational land (External Valuation).
- Buildings – Specialised/Non Specialised (External Valuation).
- Water and Sewerage Networks (Internal Valuation).
- Plant and equipment (as approximated by depreciated historical cost).
- Drainage assets – (External Valuation)

Other asset classes will be revalued to fair value as follows:

2010/11 – other structures and assets.

Water and sewerage network assets are indexed annually between full revaluations in accordance with the latest indices provided in the NSW Office of Water – Rates Reference Manual. For all other assets, the Authority assesses at each reporting date whether there is any indication that a revalued asset's carrying amount may differ materially from that which would be determined if the asset were revalued at the reporting date. If any such indication exists, the Authority determines the asset's fair value and revalues the asset to that amount.

Full revaluations are undertaken for all assets on a 5 year cycle. Increases in the carrying amounts arising

on revaluation are credited to the asset revaluation reserve. To the extent that the increase reverses a decrease previously recognising profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first charged against revaluation reserves directly in equity to the extent of the remaining reserve attributable to the asset; all other decreases are charged to the Income statement.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Authority and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

Buildings	20 to 100 years
Vehicles	6 to 10 years
Heavy Plant	6 to 10 years
Office Equipment	5 to 10 years
Dams	100 years
Drainage Assets	80 to 120 years
Water Mains	50 to 80 years
Water Treatment Plants - Civil	50 to 100 years
Water Treatment Plants - Other	20 to 40 years
Sewerage Treatment Plants - Civil	50 to 100 years
Sewerage Treatment Plants - Other	20 to 40 years
Sewerage Pipelines and Mains	50 to 80 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

The carrying amount of an asset is written down to its fair value if it is determined that the latter is a lesser amount. This would occur, for example, if the Authority reduced its estimate of the remaining useful life of an individual asset.

Where a previously valued asset is disposed of, any balance remaining in the asset revaluation reserve in respect of that asset is transferred to retained earnings.

Gains or losses on disposals are disclosed in the Income Statement and are calculated by comparing carrying value with sale proceeds.

Land is classified as either operational in accordance

with Part 2 of Chapter 6 of the Local Government Act (1993). This classification is made in Note 8.

(o) Investment Property

In the period ended 30 June 2010 the Authority had no investment properties.

(p) Payables

Payables in the balance sheet are amounts owing at balance date for goods or services provided to the Authority before the end of the reporting period. Suppliers are normally paid 30 days after the month of invoice. No interest is payable on these amounts, unless agreed to in advance by both parties.

(q) Borrowings

Outstanding loan principal is held in the balance sheet as the amount borrowed less agreed repayments of principal made to date. Interest is accrued over the period to which it relates.

Principal due to be repaid within one year of balance date is classified as a current liability.

Borrowings are taken out of the balance sheet when all obligations under the contract have been discharged.

(r) Borrowing costs

Borrowing costs are added to capital project costs if the project is funded by loan and the resulting asset is not yet in service.

(s) Provisions

Provisions are a monetary estimate of those of the Authority's future legal obligations which will have been the result of past events. Estimated future payments are discounted back to present values if the amount of the discount is material. Discount rates are chosen in accordance with the nature of the liability being considered. Increases in provisions because of the passage of time are treated as an interest expense. The Provision for Public Liability includes an estimated liability for known claims and an uplift factor of 20% for the potential value of unknown claims.

(t) Employee benefits

Short-term obligations

Liabilities for wages and salaries, including non-

monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured in accordance with the projected unit credit method. Consideration is given to experience of employee departures and periods of service.

Projected unit credit method

The projected unit credit method is the actuarial method, prescribed by AASB 119, used to determine the actuarial present value of an entity's defined benefit obligations and the related service cost. This method takes into account benefits accrued for employee service up to the reporting date and allows for expected rates of salary increases. The rates used to discount employees' benefit obligations shall be determined by reference to market yields on the reporting balance sheet date on Commonwealth government bonds.

Superannuation - schemes

The Authority makes employer superannuation contributions in respect of its employees to the Local Government Superannuation Scheme. The Scheme has two types of membership, each of which is funded differently.

Superannuation - accumulation fund members

The accumulation fund receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with Superannuation Guarantee Legislation. No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Superannuation - defined benefit members

The Authority makes employer contributions to the defined benefits categories of the Scheme at rates determined by the Scheme's Trustee. These payments are treated as an expense.

Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet the member's benefits, as defined in the Trust Deed, as they accrue.

The Local Government Superannuation Scheme - Pool B (The Scheme) is a defined benefit plan that has been deemed to be a "Multi - Employer Fund". Sufficient information is not available to account for the scheme as a defined benefit plan, because the assets to the scheme are pooled together for all Councils.

(u) Allocation between current and non-current assets and liabilities

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the ensuing 12 months, being the Authority's operational cycle. In the case of liabilities where the Authority does not have the unconditional right to defer settlement beyond 12 months, such as vested long service leave, the liability is classified as current even if not expected to be settled within the next 12 months. Inventories held for trading are classified as current even if not expected to be realised in the next 12 months.

(v) Self insurance

The Authority has determined to self-insure for various risks including public liability and professional indemnity. A provision for self-insurance has been made to recognise outstanding claims. The Authority also maintains cash and investments to meet expected future claims.

(w) Intangible assets

IT development and software

The Authority has acquired, under a managed service arrangement, a licence to access information technology services. In conjunction with this contract, the Authority has incurred a number of costs including system build cost and software and hardware licenses, as well as direct labour and material costs. These will give rise to future economic benefits. The Authority's contribution to these costs has been capitalised as an intangible

asset to be amortised over the period of the contract.

(x) Goods and Services Tax

Receivables and Creditors include GST receivable and payable. Except in relation to input taxed activities, revenues and operating expenditures exclude GST receivable and payable.

Non-current assets and capital expenditures include GST net of any recoupment. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables on the balance sheet.

Cash flows are disclosed on a gross basis. The GST component of cash flows arising from investing or financing activities, recoverable from, or payable to, the taxation authority are disclosed as operating cash flows.

(y) New accounting standards and interpretations

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2010 reporting periods. The Authority's assessment of the impact of these new standards and interpretations is set out below.

AASB 2009-8, Amendments to Australian Accounting Standards – Group Cash-Settled Share-based Payment Transactions [AASB 2] (effective from 1 January 2010). The amendments made by the AASB to AASB 2 confirm that an entity receiving goods or services in a group share-based payment arrangement must recognise an expense for those goods or services. These amendments have no impact on the Authority.

AASB 2009-10, Amendments to Australian Accounting Standards – Classification of Rights Issues [AASB 132] (effective from 1 February 2010). In October 2009 the AASB issued an amendment to AASB 132 Financial Instruments: Presentation which addresses the accounting for rights issues that are denominated in a currency other than the functional currency of the issuer. These amendments have no impact on the Authority.

AASB 9, Financial Instruments and AASB 2009-11, Amendments to Australian Accounting Standards arising from AASB 9 (effective from 1 January 2013).

AASB 9 Financial Instruments addresses the classification and measurement of financial assets and is likely to affect the Authority's accounting for its financial assets. The standard is not applicable until 1 January 2013 but is available for early adoption. The Authority believes that there will be an impact since fair value gains and losses on available-for-sale debt instruments, for example, will be recognised directly in profit or loss.

Revised AASB 124, Related Party Disclosures and AASB 2009 12, Amendments to Australian Accounting Standards (effective from 1 January 2011). The amendment to AASB 124 removes the requirement for government-related entities to disclose details of all transactions with the government and other government-related entities. This amendment has no impact on the Authority.

AASB Interpretation 19, Extinguishing financial liabilities with equity instruments and AASB 2009-13, Amendments to Australian Accounting Standards arising from Interpretation 19 (effective from 1 July 2010). AASB Interpretation 19 clarifies the accounting when an entity renegotiates the terms of its debt with the result that the liability is extinguished by the debtor issuing its own equity instruments to the creditor (debt for equity swap). It requires a gain or loss to be recognised in profit or loss which is measured as the difference between the carrying amount of the financial liability and the fair value of the equity instruments issued. The Authority assesses that the amendment will have no impact.

AASB 2009-14, Amendments to Australian Interpretation – Prepayments of a Minimum Funding requirement (effective from 1 January 2011). In December 2009, the AASB made an amendment to *interpretation 14, The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*. The amendment removes an unintended consequence of the interpretation related to voluntary prepayments when there is a minimum funding requirement in regard to the entity's defined benefit scheme. It permits entities to recognise an asset for a prepayment of contributions made to cover minimum funding requirements. The Authority does not make any such prepayments, and the amendment is therefore not expected to have any impact on the Authority.

**Notes to the financial statements
for the year ended 30 June 2010**

Note 2 – Revenues

	Actual 2010 \$'000	Actual 2009 \$'000
(a) Annual charges		
Water supply	7,044	6,691
Sewerage services	25,154	23,981
Drainage	5,287	-
Total annual charges	37,485	30,672
(b) User charges and fees		
User charges		
Water supply	20,671	18,658
Sewerage services	753	672
Total user charges	21,424	19,330
Fees		
Water connection fees	275	265
Sewer application fees	131	83
Certificate fees water	36	34
Fees other	598	646
Total fees	1,040	1,028
Total user charges and fees	22,464	20,358
(c) Interest		
Water interest	1,100	601
Water fair value adjustment	309	(231)
Sewer interest	1,433	1,508
Sewer fair value adjustment	476	(1,125)
Total interest revenue	3,318	753
(d) Other revenues		
Other revenue	3,232	569
Total other operating revenue	3,232	569

**Notes to the financial statements
for the year ended 30 June 2010**

Note 2 – Revenues (continued)

	OPERATING		CAPITAL	
	Actual		Actual	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
(e) Grants				
Pensioners rate subsidies				
- Water	677	617	-	-
- Sewer	662	653	-	-
Water supplies	125	(32)	12,835	321
Sewerage services	-	-	1	-
Other				
Total grants	1,464	1,238	12,836	321
(f) Contributions				
Developer contributions				
Drainage			303	1,115
Water	-	5	2,268	500
Sewerage	-	-	945	522
Other councils joint works				
Contributed assets				
Drainage	-	-	1,132	2,572
Water	-	-	1,287	-
Sewer	-	-	369	-
Other	82	161	-	116
Total contributions and donations	82	166	6,304	4,825
Total grants and contributions	1,546	1,404	19,140	5,146

**Notes to the financial statements
for the year ended 30 June 2010**

Note 3 – Expenses

	Actual 2010 \$'000	Actual 2009 \$'000
(a) Employee costs		
Salaries and wages	12,308	13,256
Employee leave entitlements	2,263	2,247
Superannuation	1,252	936
Workers' compensation insurance	295	273
Payroll tax	1,152	823
Training costs (excluding salaries)	66	134
	<u>17,336</u>	<u>17,669</u>
Less: Capitalised and distributed costs	2,849	2,802
Total employee costs expensed	<u>14,487</u>	<u>14,867</u>
(b) Borrowing costs		
Interest on loans	7,878	7,248
Interest on other debts	44	98
Total borrowing costs expensed	<u>7,922</u>	<u>7,346</u>
(c) Materials and contracts		
Raw materials and consumables	5,895	7,151
Contract and consultancy costs	2,666	3,238
Auditor's remuneration		
- Audit services	73	77
Legal expenses	55	-
Operating lease rentals	29	45
Total materials and contracts	<u>8,718</u>	<u>10,511</u>

**Notes to the financial statements
for the year ended 30 June 2010**

Note 3 – Expenses (continued)

	Actual 2010 \$'000	Actual 2009 \$'000
(d) Depreciation, amortisation and impairment		
Plant and equipment	64	71
Office equipment	30	44
Furniture and fittings	13	13
Infrastructure:		
Storm water drainage	2,784	1,724
Water supply network	11,537	10,588
Sewerage network	13,507	12,792
Other assets	288	247
Total depreciation and impairment	28,223	25,479
(e) Other expenses		
Bad and doubtful debts	-	(19)
Insurances	2	2
Contributions and donations	128	109
Electricity	2,306	2,111
Gas charges	523	632
Bank fees and charges	38	43
Water tank, washing machine rebate scheme	143	626
Plant hire	3,043	2,942
Telephone charges	62	85
Tipping fees	1,042	1,046
Administration support	11,465	11,800
Other expenses	1,160	3,612
Total other operating expenses	19,912	22,989

**Notes to the financial statements for
the year ended 30 June 2010**

Note 4 – Gain or loss on disposal of assets

	Actual 2010 \$'000	Actual 2009 \$'000
Gain (or loss) on disposal of Property		
Proceeds from disposal		
Less: Carrying amount of assets disposed		
Gain (or loss) on disposal	-	-
Gain (or loss) on disposal of Plant and equipment		
Proceeds from disposal		
Less: Carrying amount of assets disposed		
Gain (or loss) on disposal	-	-
Gain (or loss) on disposal of Real estate assets held for sale		
Proceeds from sales		
Less: Cost of sales		
Gain (or loss) on disposal	-	-
Gain (or loss) on disposal of Infrastructure assets		
Proceeds from disposal		
Less: Carrying amount of assets disposed		
Gain (or loss) on disposal	-	-
Gain (or loss) on disposal of Financial instruments		
Proceeds from disposal	65,673	43,319
Less: Carrying amount of assets disposed	65,673	43,319
Gain (or loss) on disposal	-	-
Total gain (or loss) on Disposal of assets	-	-

Notes to the financial statements for the year ended 30 June 2010

Note 5 – Cash assets and investments

	Actual 2010		Actual 2009	
	Current \$'000	Non- current \$'000	Current \$'000	Non- current \$'000
Cash				
Cash on hand and at bank	14	-	13	-
Deposits at call	25,284	-	5,252	-
Total cash assets	25,298	-	5,265	-
Financial assets at fair value through profit and loss				
Managed funds				
At beginning of year	8,435	-	41,500	-
Revaluation adjustments	785	-	(1,356)	-
Additions	-	-	4,086	-
Disposals	(2,573)	-	(35,795)	-
At end of year	6,647	-	8,435	-
Held to maturity investments*				
At beginning of year	26,124	1,278	1,598	-
Additions	64,171	-	32,050	1,278
Disposals	(63,100)	-	(7,524)	-
At end of year	27,195	1,278	26,124	1,278
<i>*includes Term Deposits, Bank Bills, Bank Bonds</i>				
Total investment securities	33,842	1,278	34,559	1,278
Total cash assets and investment securities	59,140	1,278	39,824	1,278
Restricted cash assets and investments Summary				
	2010		2009	
	Current \$'000	Non- current \$'000	Current \$'000	Non- current \$'000
External restrictions				
- Included in liabilities	15,970	-	7,935	-
- Included in revenue	35,739	1,278	31,091	1,278
Total external restrictions	51,709	1,278	39,026	1,278
Internal restrictions				
- Included in liabilities	898	-	760	-
- Other	2,535	-	-	-
Total internal restrictions	3,433	-	760	-
Total unrestricted	3,998	-	38	-
Total cash assets and investment securities	59,140	1,278	39,824	1,278

**Notes to the financial statements
for the year ended 30 June 2010**

Note 5 – Cash assets and investments (continued)

	2010		2009	
	Current \$'000	Non- current \$'000	Current \$'000	Non- current \$'000
External restrictions				
- Included in liabilities				
Specific purpose unexpended loans	14,190	-	6,233	-
Self insurance claims	1,780	-	1,702	-
Other				
- Included in revenue				
Specific purpose unexpended grants	640	-	505	-
Water contributions	8,040	-	5,825	-
Drainage contributions	12,500	639	11,998	639
Sewerage contributions	14,559	639	12,763	639
Other				
Total external restrictions	51,709	1,278	39,026	1,278
Internal restrictions				
- Included in liabilities				
Employee leave entitlements	898	-	760	-
- Other				
Developer contributions in advance				-
Unexpended budgets	25	-	-	-
Sewer refurbishment	1,710	-	-	-
Working capital	800	-		-
Total internal restrictions	3,433	-	760	-

**Notes to the financial statements
for the year ended 30 June 2010**

Note 6 – Receivables

Purpose	Actual 2010		Actual 2009	
	Current \$'000	Non- current \$'000	Current \$'000	Non- current \$'000
Annual charges	2,476	50	2,169	48
Interest and extra charges	315	-	352	-
Government grants and subsidies	131	-	134	-
Accrued revenues	16,364	-	9,846	-
User charges and fees	2,571	-	2,781	-
Other	1,169	574	1,127	647
Total	23,026	624	16,409	695
Less: Provision for doubtful debts	5	-	5	-
Total	23,021	624	16,404	695

Water and sewer charges, interest and extra charges

Overdue water and sewer charges are secured over the relevant land and are subject to simple interest at a rate of 9.00%, effective 5 March 2009. (2008/2009 10.00%).

Other levels of government

Amounts due have been calculated in accordance with the terms and conditions of the respective programs following advice of approvals, and do not bear interest. All amounts are due by departments and agencies of the Government of New South Wales and the Government of Australia.

Provision for doubtful debts

No amounts have been written off against the provision in the past two years.

Notes to the financial statements for the year ended 30 June 2010**Note 7 – Other assets**

	Actual 2010		Actual 2009	
	Current \$'000	Non- current \$'000	Current \$'000	Non- current \$'000
Inventories				
Trading stock	373	-	289	-
- Real Estate Assets Held for Resale				
	373	-	289	-

**Notes to the financial statements
for the year ended 30 June 2010**

Note 8 – Infrastructure, property, plant and equipment

Class of asset	2009 \$'000				Movements during year \$'000				2010 \$'000					
	At cost	Fair value	Accumulated depreciation*	Book value	Asset purchases	Asset disposals	Depreciation	Transfers	Adjustments	Revaluation increments/decrements	At cost	Fair value	Accumulated depreciation*	Book value
Water supply														
Capital WIP	2,853	-	-	2,853	44,096	-	(1,116)	-	-	-	46,833	-	-	46,833
Plant - equipment	-	671	508	163	(40)	-	46	-	-	-	629	552	77	77
Office equipment	-	325	252	73	-	-	19	-	-	-	325	271	54	54
Furniture and fittings	-	145	87	58	-	-	10	-	-	-	145	97	48	48
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Authority owned	-	11,749	-	11,749	124	-	-	-	-	-	11,873	-	-	11,873
Land improvements - depreciable	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other structures	11	-	1	10	-	-	-	-	-	-	11	-	1	10
Infrastructure	-	645,982	185,670	460,312	3,319	-	11,537	116	-	11,778	666,297	202,369	463,988	463,988
- water supply	183,749	-	43,152	140,597	4,131	-	2,784	-	-	73,018	278,922	63,940	214,982	214,982
- stormwater drainage	185,613	658,872	229,670	615,615	51,650	-	14,395	-	-	84,796	958,191	267,170	737,865	737,865
Sewerage services														
Capital WIP	761	-	-	761	6,169	-	(1,158)	-	-	-	5,772	-	-	5,772
Plant - equipment	-	586	546	40	-	-	18	-	-	-	586	564	22	22
Office equipment	-	451	414	37	-	-	11	-	-	-	451	425	26	26
Furniture and fittings	-	55	44	11	-	-	3	-	-	-	55	47	8	8
Land	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Authority owned	-	9,075	-	9,075	12	-	-	-	-	-	9,087	-	-	9,087
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- sewerage assets	-	550,961	155,754	395,207	1,245	-	13,507	1,158	-	6,220	561,168	170,865	390,323	390,323
Total sewerage services	761	561,128	156,758	405,131	7,426	-	13,539	-	-	6,220	571,367	171,901	405,238	405,238
Total	187,374	1,220,000	386,428	1,020,946	59,076	-	27,995	-	-	91,019	1,529,558	499,071	1,143,103	1,143,103

* Water and sewerage infrastructure assets were revalued as at 30 June 2010 using cost indexation factors.

Notes to the financial statements for the year ended 30 June 2010

Note 9 – Payables, borrowings and provisions

Item	Actual 2010		Actual 2009	
	Current \$'000	Non- current \$'000	Current \$'000	Non- current \$'000
Payables				
Goods and services	263	-	2,275	-
Payments received in advance	2,776	-	1,100	-
Accrued expenses	13,852	-	4,055	-
Accrued interest	1,200	-	1,166	-
Accrued salaries and wages	207	-	112	-
Bonds	214	-	207	-
Total payables	18,512	-	8,915	-
Interest bearing liabilities				
Bank overdraft				
Loans	9,808	160,913	7,129	103,929
Advance - Wyong Shire Council	-	-	20,000	-
Total interest bearing liabilities	9,808	160,913	27,129	103,929
Provisions				
Employee leave entitlements payable				
< 12 months	1,298	113	1,132	59
Employee leave entitlements payable				
> 12 months	3,163	-	3,082	-
Self insurance claims	176	853	159	1,212
Payroll tax	16	70	16	70
Dividend	-	-	-	-
Insurance	17	-	19	-
Total provisions	4,670	1,036	4,408	1,341

Movements in provisions - Non-employee provisions:

	2010 (\$'000)		2009 \$'000	
	Self Insurance claims	Other	Self Insurance claims	Other
Opening balance	1,371	105	1,136	264
Self insurance payments	-	-	(273)	-
Increase in provision	(342)	(2)	508	10
Increase/decrease in payroll tax liability on Employee leave entitlements	-	-	-	(169)
Closing balance	1,029	103	1,371	105

**Notes to the financial statements
for the year ended 30 June 2010**

**Note 10 – Reconciliation of surplus (deficit) for the year to cash provided by
(used in) operating activities**

(a) Reconciliation of cash assets

Cash and cash equivalents	25,298	5,265
Sub total	25,298	5,265
Less bank overdraft	<u>-</u>	<u>-</u>
Balances as per statement of cash flows	<u>25,298</u>	<u>5,265</u>

**(b) Reconciliation of surplus (deficit) for the year to cash provided by
(used in) operating activities**

Surplus (deficit) for the year	7,923	(22,290)
Add: Depreciation and amortisation	28,223	25,479
Increase in employees' leave entitlements	301	316
Increase in other provisions	-	76
Decrease in receivables	-	144
Decrease in inventories	-	74
Decrease in other current assets	-	247
Increase in payables	-	780
Increase in accrued interest payable	34	-
Increase in accrued salaries and wages	95	70
Increase in other current liabilities	468	-
Loss on sale of assets	<u>-</u>	<u>-</u>
Carried down	37,044	4,896

**Notes to the financial statements
for the year ended 30 June 2010**

**Note 10 – Reconciliation of surplus (deficit) for the year to cash provided by
(used in) operating activities (continued)**

Brought down	37,044	4,896
Less: Decrease in provision for doubtful debts	-	19
Decrease in other provisions	344	-
Non cash donations	2,788	2,572
Non cash asset adjustment revenue	-	-
Increase in receivables	6,546	-
Increase in inventories	84	-
Decrease in payables	2,012	-
Decrease in accrued interest payable	-	116
Decrease in accrued salaries and wages	-	-
Decrease in other current liabilities	-	935
Fair Value revaluation of investment assets	785	(1,356)
	-	-
Net cash provided by (used in) operating activities	24,485	2,610
 (c) Non-cash financing and investing activities		
Acquisition of assets by means of:		
-Developer contributions received In kind	2,788	2,572
	2,788	2,572

Notes to the financial statements for the year ended 30 June 2010

Note 11 - Financial risk

Risk Management

The Authority borrows money to fund infrastructure developments and other community projects, and also invests its surplus funds. These activities expose the Authority to a number of risks including credit risk, market price risk, interest rate risk, and liquidity risk.

- *Credit or Default Risk* is the risk that the counterparty to a loan or investment agreement will not complete its financial obligations.
- *Interest Rate Risk* is the risk that investment assets will fall in market value due to rises in interest rates.
- *Liquidity Risk* is the risk of an investment asset being unsaleable when funds are needed.
- *Settlement Risk* is the risk that a planned financial transaction fails due to lack of consideration.

Wyong Shire Council employs an investment advisor to assist in managing the risks associated with investment of surplus funds, including those of the Authority. Council's financial risk management generally is carried out by the Finance section in accordance with council policies. Council's investment policy is reviewed regularly in conjunction with Council's investment advisor.

The council prepares weekly, monthly and year by year cash flows and financial models and monitors actual performance against the forecasts.

The Authority held the following financial instruments at balance date:

	Carrying Value		Fair Value	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assets				
Cash and cash equivalents	25,298	5,265	25,298	5,265
Receivables	23,645	17,099	23,645	17,099
Financial assets at fair value through profit or loss	6,647	8,435	6,647	8,435
Held-to-maturity investments	28,473	27,402	28,473	27,402
	84,063	58,201	84,063	58,201
Financial liabilities				
Payables	18,512	8,915	18,512	8,915
Borrowings	170,721	111,058	174,838	109,809
	189,233	119,973	193,350	118,724

Fair Value is determined as follows:

Cash and Cash equivalents, Receivables and Payables - stated at book value which is assessed as approximating to fair value.

Borrowings, Held to Maturity Investments – based on future cash-flows which are discounted back to net present value using an applicable market interest rate. Interpolated rates are used for borrowings greater than 15 years.

Financial Assets at Fair Market Value through Profit and Loss – based on quoted prices at 30 June 2010

(a) Cash and investments (cash and cash equivalents, financial assets at fair value through profit and loss and held-to-maturity investments)

The Authority's investment activities are subject to default risk, interest rate risk, credit risk, market price risk, liquidity risk and settlement risk.

The Authority manages these risks by

- diversifying its portfolio,
- investing only in investment grade securities
- assessing the credit rating of the issuers, or endorsers, of potential investments,
- timing the maturity of investments to accord with known future liabilities.

Wyong Shire Council seeks advice from its investment advisor prior to the purchase of investments, including those bought on behalf of the Authority.

Sensitivity Analysis

The Authority has an equity interest in managed funds and other investment securities held in the name of Wyong Shire Council (consolidated fund).

The impact to the Authority of a 10% movement in the price of investments as at 30 June 2010 would be a gain or loss in the income statement of \$0.64 million (\$0.84 million at 30 June 2009).

The estimated impact of a 1% movement in interest rates at 30 June 2010 would be a gain or loss (reflected in the income statement) of \$0.45 million (\$0.34 million at 30 June 2009).

(b) Receivables

The Authority's major receivable amounts are

- annual charges
- fees and user charges

The Authority can recover property related debts on rates as a secured charge over land. The Authority can also charge interest on such debts at higher than market rates.

Other outstanding debts are monitored monthly and assessed for acceptable collection performance.

The Authority makes an impairment provision for these debts.

The Authority's Annual Charges debtor balances are rolled over into the overdue category at the end of the financial year. Annual Charges outstanding at 30 June 2010 represented 5.5% of the amount collectible.

The Other Receivables balance at 30 June 2010 represented 13.2% of the total value of fees and user charges (30 June 2009 13.4%). 34% of the Other Receivables balance at reporting date was overdue, compared to 32% the previous year.

(c) Payables and borrowings

Council's current borrowing policy is to borrow from licensed Australian banks, to make progressive principal repayments over the course of the loan, to borrow at fixed rates of interest, and not to make early repayments. Council also ensures (prudently) that Council's borrowings are spread among a number of lenders.

Council's major borrowing risk is market price risk. Both payables and borrowings are also affected by liquidity risk.

Council's investments are managed to ensure the availability of liquid funds to meet known expenditure commitments.

The following table shows estimated future cash flows for payables and borrowings. Cash flows for borrowings include principal and interest payments.

2010 \$'000	Due within	Due between	Due after	Total contractual cash flows	Carrying values
	1 year	1 and 5 years	5 years		
Payables	18,512	-		18,512	18,512
Borrowings	21,503	77,484	162,773	261,760	170,721
	40,015	77,484	162,773	280,272	189,233

2009 \$'000	Due within	Due between	Due after	Total contractual cash flows	Carrying values
	1 year	1 and 5 years	5 years		
Payables	8,915	-	-	8,915	8,915
Borrowings	14,385	45,801	124,520	184,706	131,058
	23,300	45,801	124,520	193,621	139,973

The Authority incurred no significant overdraft debt in the year ending 30 June 2010. Water Authority receipts and payments are made through Council's main bank account (consolidated entity) which has an attached overdraft facility of \$500 thousand.

The average interest rate applicable to payables is estimated to be 0%. The Council does not generally enter into agreements with suppliers to pay interest on outstanding balances.

The Authority's borrowings are all at fixed rates of interest and therefore the sensitivity of the loan portfolio to market interest rate movements is zero. At 30 June 2010 the amount of undrawn loans was nil.

The weighted average borrowing rate (based on nominal interest rates and nominal amount advanced) was 6.92% as at 30 June 2010 (6.61 % at 30 June 2009.)

Notes to the financial statements for the year ended 30 June 2010

Note 12 – Joint Venture operation

The Council of Wyong Water Supply Authority is a joint venturer in the provision of water supply headworks servicing both Wyong and Gosford Council areas. The Councils jointly construct, operate and maintain headworks infrastructure which typically includes pipework, weirs, dams, treatment plants and bulk water distribution.

The Council of Wyong Water Supply Authority had a 48.35% interest in the output of the joint venture for the period ending 30 June 2010.

The value of Council's share of any liabilities, commitments and contingent liabilities of the joint venture is nil.

The Council's share of assets in the joint venture (as included in the Balance Sheet under the following classifications) and its share of day to day expenses, were as follows:

	Actual 2010 \$'000	Actual 2009 \$'000
Current assets		
Receivables	-	-
Investments	-	-
Inventories	-	-
Non-current assets		
Receivables	-	-
Investments	-	-
Property, plant and equipment	224,375	188,864
Share of assets employed in Joint Venture:	<u>224,375</u>	<u>188,864</u>
Maintenance and operations expenditure		
Incurred by Wyong Shire Council	5,083	4,465
Wyong Shire Council's share of costs under the agreement	6,286	4,774
Equalisation payment to Gosford City Council	<u>1,203</u>	<u>309</u>
Interest expense		
Incurred by Wyong Shire Council	<u>4,087</u>	<u>4,060</u>

**Notes to the financial statements
for the year ended 30 June 2010****Note 13 – Contingencies*****Contingent Liabilities*****Central Coast Water Corporation**

Under the *Central Coast Water Corporation Act 2006*, a new body for water management in the Central Coast will be created with the agreement of Wyong and Gosford councils. The precise mechanisms by which functions will be transferred from the Water Supply Authority to the new body have yet to be established and at this stage transition costs cannot be reliably estimated.

Division of Local Government (DLG) investigation

The DLG is conducting an investigation under section 430 of the *Local Government Act 1993* into the use of labour hire at Wyong Shire Council. Any potential liability for financial penalties payable by the Water Supply Authority cannot be reliably estimated.

**Notes to the financial statements
for the year ended 30 June 2010**

Note 14 – Commitments

	Actual 2010 \$'000	Actual 2009 \$'000
Capital commitments (exclusive of GST)		
Property, plant and equipment		
Not later than one year	71,408	6,018
Later than one year but not later than five years	-	-
Later than five years	-	-
	<u>71,408</u>	<u>6,018</u>
Other expenditure commitments:		
Maintenance		
Not later than one year	-	406
Later than one year but not later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>406</u>
Other services		
Not later than one year	-	399
Later than one year but not later than five years	-	-
Later than five years	-	-
	<u>-</u>	<u>399</u>

Notes to the financial statements for the year ended 30 June 2010

Note 15 – Revaluation reserves and retained earnings

	2010 \$'000	2009 \$'000
(a) Revaluation reserve		
<i>Infrastructure, property, plant and equipment</i>		
Balance at beginning of reporting period	330,899	299,859
Add: Revaluation increments transferred to reserve relating to:		
Water infrastructure assets	11,778	14,640
Sewerage infrastructure assets	6,220	16,400
Drainage	73,019	-
Subtotal	<u>91,017</u>	<u>31,040</u>
Less: Revaluation decrements	-	-
Balance at end of reporting period	<u>421,916</u>	<u>330,899</u>

**The above reserve is used to record increments and decrements on the revaluation of infrastructure, plant, property and equipment.*

(b) Retained earnings

Balance at beginning of reporting period	<u>603,998</u>	626,630
Correction of errors	-	-
Taxation equivalent dividend payment in accordance with National Competition Policy	(342)	(342)
Net operating result for the year	7,923	(22,290)
Balance at end of reporting period	<u>611,579</u>	<u>603,998</u>

Notes to the financial statements for the year ended 30 June 2010

Note 16 – Intangible assets

Year ended 30 June 2009

Opening net book amount	1,430
Additions - acquisition	
Amortisation charge	(247)
Closing net book amount	<u>1,183</u>

At 30 June 2009

Cost	2,469
Accumulated amortisation and impairment	(1,286)
Net book amount	<u>1,183</u>

Year ended 30 June 2010

Opening net book amount	1,183
Additions - acquisition	-
Amortisation charge	(288)
Closing net book amount	<u>895</u>

At 30 June 2010

Cost	2,469
Accumulated amortisation and impairment	(1,574)
Net book amount	<u>895</u>

Wyong Shire Council is contracted to acquire, on behalf of the Water Supply Authority, under a management service arrangement, a licence to access information technology services. The system solution was designed, developed and built by the contractor with assistance and input of Council employees. A number of costs including system build costs, software and hardware licenses incurred under the contract as well as Council's own costs will give rise to future economic benefits. These costs have been capitalised as an intangible asset to be amortised over the period of the contract.

--- end of audited financial statements---

9.9 Results on Water Quality Testing for Beaches and Lake Swimming Locations

TRIM REFERENCE: F2004/06822 - D02422416

AUTHOR: Jon Scorgie, Senior Environmental Health Officer, Environmental Protection
MANAGER: Martin Johnson, Manager, Natural Resources

SUMMARY

Reporting on the results of bacteriological tests for primary recreation water quality for the beaches in Wyong Shire and lake swimming sites in the Tuggerah Lakes catchment for the month of October 2010.

RECOMMENDATION

That Council receive the report on Results on Water Quality Testing for Beaches and Lake Swimming Locations.

Primary Recreation Water Quality Monitoring Program

Wyong Shire beaches are regularly monitored for swimming safety in accordance with the latest National Health and Medical Research Council (*NHMRC Guidelines for Managing Risks in Recreational Water (2008)*). These guidelines have superseded NHMRC (1991), however, they still allow for beaches to be awarded a star rating based upon the potential for sewage and stormwater contamination. These star ratings are awarded as detailed in the Table 1 below.

Wyong Shire Council has been in partnership with the Department of Environment, Climate Change and Water (DECCW) in implementing the "Beachwatch" program during the bathing season of summer, October through to April.

Council at its meeting held on 9 June 2010 resolved as follows:

"RESOLVED on the motion of Councillor Graham and seconded by Councillor Webster:

- 1 That Council adopt the recommendations of the Tuggerah Lakes Estuary Coastal and Floodplain Management Committee being:*
 - a That all lake water quality testing sites that are not designated "lake swimming locations", be removed from future Beachwatch programs commencing 1 July 2010.*
 - b That future results of water quality testing for lake locations that are not designated swimming locations continue to be monitored to detect changes in*

9.9 Results on Water Quality Testing for Beaches and Lake Swimming Locations (contd)

water quality and the results of such testing be submitted to the Estuary Management Unit.

FOR: COUNCILLORS GRAHAM, MATTHEWS, MCBRIDE, MCNAMARA, SYMINGTON, VINCENT, WEBSTER AND WYNN

AGAINST: COUNCILLORS BEST AND EATON"

As a result of the above resolution 22 monitoring locations are now sampled once a week as required by the NHMRC Guidelines and the Beachwatch program. These monitoring locations include 17 ocean beaches and 5 lake swimming sites in the Tuggerah Lakes catchment.

Beachwatch have updated their program to bring it in line with NHMRC (2008), which are based on the World Health Organisation (WHO) *Guidelines for Safe Recreational Water Environments*, 2003. The new guidelines, NHMRC (2008), have lead to a change in acceptable faecal indicator levels and how they are reported as part of the Beachwatch partnership program.

The acceptable level for the faecal indicator *enterococci* has now been elevated to 200cfu/100mL, compared with 33cfu/100mL (Nb: cfu= colony forming units). This change is based on studies conducted by the WHO and relates to a health based risk of contracting an illness due to swimming in potentially contaminated waters.

Another change that has been brought in by Beachwatch is that Star Ratings are now reported weekly, based on one result. This is a big difference to NHMRC (1991), as that guideline recommended that the star rating be based on five previous results with a star rating being given for the month. This now means that each site can be rated weekly with the results being placed on the Beachwatch website.

During the winter season the Beachwatch program becomes inactive, sampling is conducted once a month to assess any changes in water quality. If these monthly results indicate high levels of sewage and stormwater contamination further investigations are triggered to determine the source of its origin.

Additionally, Council is still required to monitor the ocean outfalls five times a month, year round. This monitoring and sampling regime is undertaken in accordance with the DECCW "Environmental Protection License's", this sampling is carried out at ten sites around Norah Head and Wonga Point.

As a part of the National Health and Medical Research Council - Guidelines for Managing Risks in Recreational Water 2008 (NHMRC 2008), DECCW's Beachwatch program has requested that all sites be re-evaluated to identify their potential pollution sources and the risk that they may pose to human health. The potential pollution sources identified in this evaluation will lead to management strategies being developed for each site so that risk to human health can be minimised. Advisory signs have been erected at all lake sampling sites advising "This area can be affected by Stormwater Pollution for up to 3 Days after heavy rain. Swimming during this period in NOT Recommended". The signs have been erected to advise the public that there is a potential for poor water quality at the site due to the stormwater inundation after heavy rain. It does not mean that the water quality is poor at all times.

Summary of results for October 2010 (Summer Program)

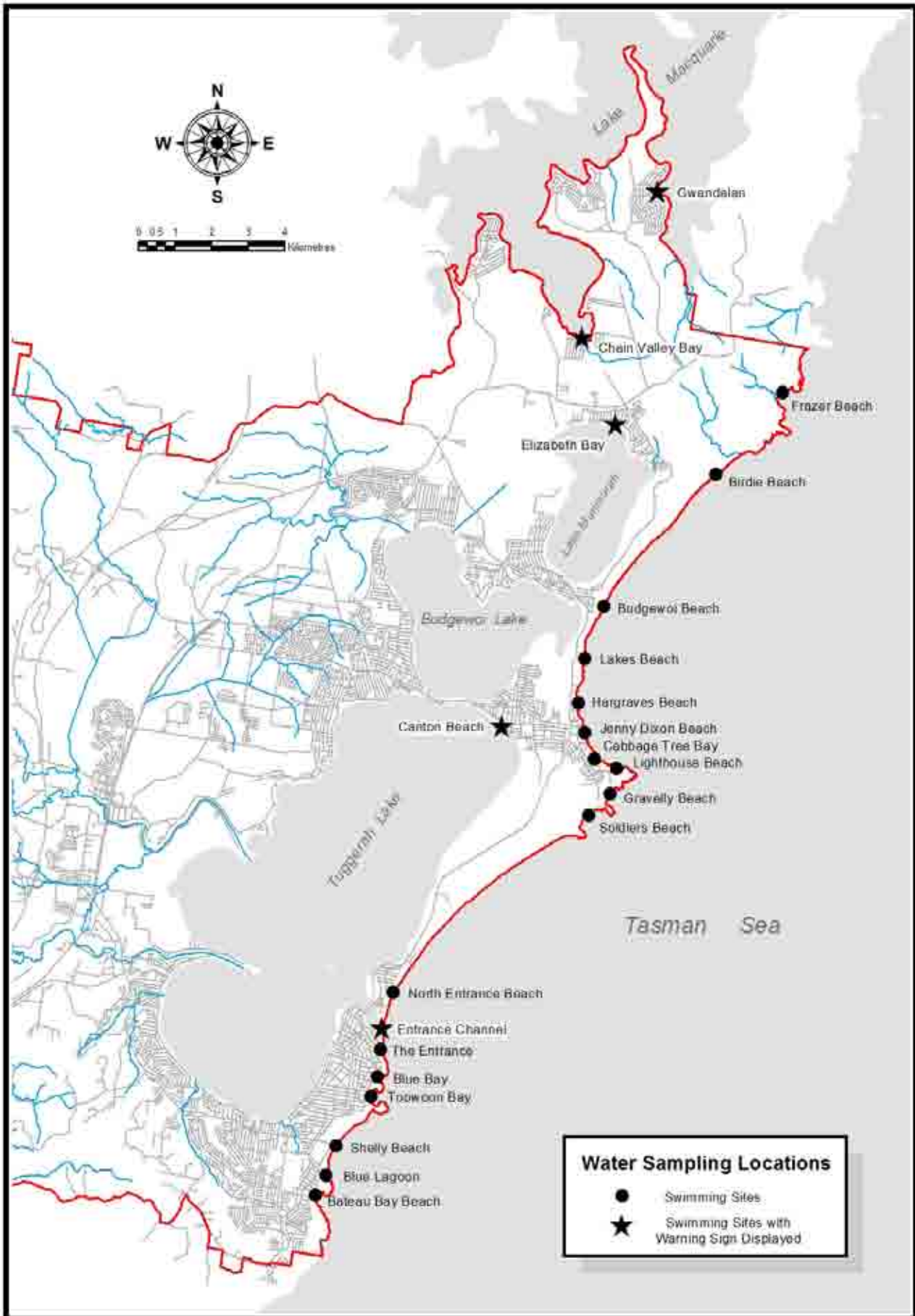
For the month of October a total of 96 samples were taken from across the 22 sites, during this period all sites recorded a star rating of 3 or 4. This indicates that all sites were suitable for swimming during the month of October (Table 1).

Table 1: NHMRC Star Rating Interpretation

Star Rating		Enterococci (cfu/100mL)	Interpretation
****	Good	≤ 40	NHMRC indicates site suitable for swimming
***	Fair	41 – 200	NHMRC indicates site is suitable for swimming
**	Poor	201- 500	NHMRC indicates swimming at site is not recommended.
*	Bad	>500	NHMRC indicates swimming at site is not recommended.

ATTACHMENTS

- 1 Water Sampling Locations D02345961



9.10 Central Coast Region of Councils Meeting

TRIM REFERENCE: F2004/08792 - D02429464

AUTHOR/MANAGER: Greg McDonald, Project Director – Mardi/Mangrove Link Project

SUMMARY

The Central Coast Region of Councils (CCROC) met on the 11th November 2010 and considered a number of issues in regard to the formation of the new Central Coast Water Corporation.

RECOMMENDATION

That Council note the report and the resolutions made at the Central Coast Region of Councils Meeting.

BACKGROUND

The Central Coast Water Corporation Act provides for the creation of a water supply authority owned by the Councils. The Corporation will be responsible for providing water, wastewater and drainage services to the Central Coast community.

The Councils agreed to proceed with the creation of the Corporation subject to certain legislative amendments in relation to the control of timing and transfer of resources and assets. This agreement was formalised by a Memorandum of Understanding (MoU) executed between the Councils and Minister for Water, the Hon Phillip Costa MP on 9 August 2010.

The legislative amendments were passed by the NSW Legislative Assembly on the 20th October 2010 and were agreed to by the Legislative Council on the 28th October 2010. The Governor's ascent is expected by mid November 2010.

A number of activities are required to be undertaken within the 90 day period, following the Governor's ascent, to enable the establishment of the CCWC. The critical project tasks will be those activities required as a minimum to meet the Councils' obligations under the MoU.

In accordance with the MoU, the Councils have agreed to use their best endeavours, within 90 days of the amending Bill receiving assent, to

- A approve the Corporation's Constitution;
- B enter into a voting shareholders agreement; and
- C provide the Minister with a copy of the Council's resolutions in relation to (a) and (b) above and request commencement of the Corporation.

The day to day management of the project has been delegated to Project Managers appointed in Gosford City and Wyong Shire Councils. The Project Managers will have carriage of the establishment tasks and report to a Project Control Group (PCG).

The PCG comprises the General Managers of the respective Councils, Director Water and Sewer (Gosford City Council) and Director Shire Services (Wyong Shire Council). The PCG meets on a fortnightly basis to monitor progress and consider issues.

The activities presently being considered include:

- drafting of a Constitution and Voting Shareholders Agreements,
- Board of Directors membership,
- Consultation strategy

On 4 November 2010, the Project Control Group (PCG) conducted a workshop with internal and external experts to explore whether there were any critical issues that needed to be addressed within the 90 day period, including within the Constitution and Voting Shareholder Agreement

DISCUSSION

On the 11th November 2010 the CCROC considered the issues resulting from the 4th November 2010 workshop. The following list highlights the issues and the CCROC recommendation for each issue.

The following matters were identified as requiring a decision to meet the 90 day timeframe.

(a) Commencement of Operation

The 90 day period is expected to conclude in mid February 2011. For practical reasons it is suggested that an actual commencement start date be aligned with the new financial year, starting on 1 July 2011.

The MoU requires a cost benefit analysis of moving to the next phase is undertaken within 15 months from commencement of the Corporation and for each Phase thereafter. As such, Phase 1 of the Corporation's operation would span from 1 July 2011 to 30 September 2012.

Resolution of CCROC

The Councils request the Minister for Water to proclaim the establishment of the Corporation to commence on 1 July 2011.

(b) Phase 1 Functions

The Phase 1 functions need to be described for the preparation of the legal instruments.

The Phase 1 functions outlined in the MoU reflect the functions currently performed by the Joint Water Authority (JWA) in accordance with the JWA Agreement.

Resolution of CCROC

The Phase 1 functions of the Corporation be the same as those currently performed by the JWA.

(c) Phase 1 Operating Model

The Board of the Gosford Wyong Councils' JWA is currently serviced by a small team employed by Wyong Shire Council. The cost of the team is shared equally by the Councils.

Resolution of CCROC

The JWA staff remain employed by WSC under the current arrangements and provide initial services to the Corporation

(d) Size of the Board

Once established, the Corporation cannot operate until a Board of Directors has been appointed by the Council. The CCWC Act prescribes that the Council are responsible for the recommendation of Board members. The Act does not allow the Government to appoint any Board member.

It is proposed that the Board be determined over the coming months ready for commencement on 1 July 2011.

The CCWC Act prescribes that the composition of the Board is to consist of at least 3, but not more than 7 Directors. No more than 2 Directors may be appointed from the councillors and employees of the constituent councils (one from each) and, in that event, the minimum number of Directors is to be 5.

Resolution of CCROC

The Board be comprised of 3 independent and 2 Council Board members and they be appointed until 30 September 2012 to oversee the establishment and start-up of the Central Coast Water Corporation.

(e) Council Representative Board Members

For the purpose of the first phase (1 July 2011 to 30 September 2012) it is proposed that the General Managers be appointed as the Council representative Board members.

Resolution of CCROC

The respective General Managers of each Council be appointed to the Board for the first phase of the Corporation's operation.

(Note: It was requested that the Constitution include provision for the termination of a Board member for non-attendance of say 3 consecutive meetings without a leave of absence)

(f) Independent Board Member Selection Process

The Board of Directors is responsible for the management of the CCWC in accordance with the principle objectives prescribed in the CCWC Act. Directors will be responsible for the financial, environmental and social performance outcomes of the Corporation.

The CCWC Act requires that "each person recommended for appointment as a Director must be a person who, in the opinion of the voting shareholders, will assist the Corporation to achieve its principle objectives".

With regard to the principle objectives, the Board of Directors will need skills and expertise in the following areas:

- I. Engineering management
- II. Financial/economic management
- III. Environment
- IV. Social/local community

The nomination of the Board members must be by resolution of the Councils. It is proposed that the Board members be nominated at the latest by May 2011 to enable the Board members to familiarise themselves with the role and issues before actual commencement of the Corporation.

Resolution of CCROC

The PCG and an elected representative from each Council identify a number of appropriately qualified candidates for the Councils' consideration and approval at a joint meeting of the Council by May 2011.

- V. *Appointment of a Chief Executive Officer (CEO)*

There are two options available in regard to the appointment of a CEO to the Corporation.

- 1. Appoint a CEO

This option is not recommended as during the first phase of the Corporation's operation a minimalist approach is being taken with little or no staff being in the Corporations employment. A CEO would be a costly staff engagement for little benefit in the first phase of operation.

- 2. Do not appoint a CEO

A CEO is not required by legislation and will not be required during Phase 1 of the Corporation. As such it is recommended that no CEO be appointed. The Constitution for the Corporation will include a provision to this effect.

It is proposed that a senior manager of one of the Councils be made available to the Board to act on its behalf in the day-to-day administration of the Corporation.

Resolution of CCROC

The Corporation operate in its first phase with a senior manager of one of the Councils be made available to the Board to act on its behalf in the day-to-day administration of the Corporation.

ATTACHMENTS

Nil.

9.11 Central Coast Tourism - Update

TRIM REFERENCE: F2004/07096 - D02431785

AUTHOR/MANAGER: Bronwyn Rumbel, Manager, Economic and Corporate Planning, General Managers Unit

SUMMARY

September quarter report from Central Coast Tourism.

RECOMMENDATION

That Council receive the report on Central Coast Tourism - Update.

On 1 September 2010 a Memorandum of Understanding between Wyong Shire Council and Central Coast Tourism was signed by the chief executive officers of both organisations. (This was reported to Council in Item 7.16 on 22 September 2010.)

Part 6 of the Memorandum of Understanding states the deliverables required from Central Coast Tourism.

As required in Section 6.5, Central Coast Tourism has provided the organisation with a copy of its Annual Business Plan.

Central Coast Tourism is now providing (ahead of the 30 November 2010 deadline as stipulated in Section 6.6) a written quarterly progress report against actions in the Destination Management Plan and tourism/event activity in Wyong Shire.

A copy of the quarterly report will be distributed under separate cover and the Chief Executive Officer of Central Coast Tourism, Ollie Philpot, will attend the meeting to answer any questions.

ATTACHMENTS

- 1 Central Coast Tourism September 2010 Quarter Report (to be distributed under separate cover) Enclosure

9.12 Outstanding Questions without Notice and Notice of Motions

TRIM REFERENCE: F2010/00009 - D02422572

AUTHOR: Monica Redmond, Administration Assistant, Councillor Services
MANAGER: Lesley Crawley, Manager Governance and Administration

SUMMARY

Report on outstanding Questions Without Notice and Notices of Motion.

RECOMMENDATION

That Council receive the report on Outstanding Questions without Notice and Notice of Motions.

ATTACHMENTS

- | | | |
|---|--|-----------|
| 1 | Table of Outstanding Questions without notice & Notices of Motion - 24 November 2010 | D02425161 |
|---|--|-----------|

No	Department	Question Asked / Councillor	Meeting Asked	Status
1	Shire Planning	<p>326 - National Natural Disaster Funding</p> <p>1 <i>That Council, via the Federal Local Members, request National Natural Disaster Funding include coastal erosion events and Council expenditure on preventative and remedial action.</i></p> <p>2 <i>That the Local Government Association via its annual conference be invited to support this initiative</i></p> <p>3 <i>That a further report be brought back to Council on information on predication on climate change impacts as a result of studies being undertaken by consultants in conjunction with the Coastal Hazard Study.</i></p>	<p>8 August 2007 Cr Eaton / Cr Best</p>	<p>Letter sent to Local Government Association (LGA) applying for funding. Reply received advising Council was unsuccessful. Letter sent to the LGA requesting coastal erosion and risk management issues to be included in future funding. No response received.</p> <p>The information addressing this issue will be incorporated within the Coastline Management Plan in the section relating to Funding Options. A draft Coastline Management Plan is being prepared for the 1st half of 2011.</p>
2	Shire Planning	<p>298 The Long Jetty Commercial Options Initiative</p> <p>1 <i>That Council receive a briefing as part of the Long Jetty master planning that will occur following the potential adoption The Entrance Long Jetty Strategy on the permissibility and benefits / disbenefits of considering sub leasing (subject to Departmental approval) an area of the Long Jetty to cater for a commercial operation such as a cafe with possible education aspects.</i></p> <p>2 <i>That any economical benefit derived from this activity be allocated to the maintenance and upkeep of the Long Jetty.</i></p>	<p>25 June 2008 Cr Best / Cr Eaton</p>	<p>Currently preparing the project Management documentation to initiate the commencement of the project for master planning the Long Jetty Village Centre. This project will consider the matters raised in Council's resolution. The Master plan project is expected to commence in 2011/2012.</p>

No	Department	Question Asked / Councillor	Meeting Asked	Status
3	Shire Planning	<p>8.2 - Notice of Motion – Possibility for the Establishment of an environmental Committee</p> <p><i>That the Shire Planning Department provide a report that outlines the possibilities for establishment of an Environment Committee. The report should include, but not be limited to:</i></p> <ul style="list-style-type: none"> • <i>The Terms of Reference (charter, roles, responsibilities and function);</i> • <i>Possible membership</i> • <i>Whether it should be a committee or Council;</i> <p><i>and</i></p> <p><i>Report on environment committees that have been established in other Council areas, their roles, functions and achievements</i></p>	9 September 2009 Cr Wynn / Cr Best	This item has been superseded by the service delivery review with its recommendation to establish a strategic sustainability committee which will be discussed with Councillors at a briefing on the Committee Review on 8 December 2010.
4	Shire Planning	<p>8.4 - Notice of Motion – Proposed Additional Development Policy</p> <p>1 <i>That taking into account the unsightly appearance of a number of unfinished and empty buildings throughout the Shire, that staff develop a policy that can be integrated into the relevant chapters of Development Control Plan 2005.</i></p> <p>2 <i>That the draft policy be written to apply to major residential, commercial and industrial development.</i></p> <p>3 <i>That the provisions of the policy include:</i></p> <ul style="list-style-type: none"> a <i>objectives relating to ensuring visual amenity is maintained should buildings remain unfinished or empty;</i> b <i>requirements for ensuring visual amenity by way of hoardings, landscape buffers, painting and / or other means of screening; and</i> c <i>a focus on buildings located within town centres and on major roads within the Shire.</i> <p>4 <i>That the draft policy be reported back to Council for consideration</i></p>	11 November 2009 Cr Best / Cr Webster	The drafting of this policy has been placed on the Land Use Planning and Policy Development Works Program for 2010/2011. A draft policy will be completed for Council's consideration by 1 March 2011.

No	Department	Question Asked / Councillor	Meeting Asked	Status
5	Shire Planning	<p>5.1 - Notice of Motion – Planning Disputes Mediation Process Trial</p> <p>1 That Council <u>recognise</u> in principle that the establishment of a Mediation process may reduce litigation and expedite dispute resolution in appropriate cases.</p> <p>2 That Council <u>receive</u> a report on the establishment of a Mediation process. The report should include the following:</p> <p>a A review of “best practice” mediation committees / mediation processes operating elsewhere.</p> <p>b A review of practices / procedures / committees operating in adjoining Councils.</p> <p>c The means of ensuring compliance of such a committee with Department of Local Government guidelines, ICAC guidelines, applicable legislation and Code of Conduct.</p>	10 February 2010 Cr Eaton / Cr Graham	This item will be reported to Council for consideration by February 2011.
6	Legal and Risk	<p>5.2 - Notice of Motion – Elected Council Independent Legal Advisor</p> <p>1 That Council <u>invite</u> tenders from separate independent firms of solicitors to advise the Mayor and Councillors in those circumstances where the interests of the staff and the elected Council may not be identical or in cases where Council wishes to seek further legal opinion.</p> <p>2 That Council <u>receive</u> quarterly reports on expenditure and information on general details of the matters on which legal advice has been sought</p>	10 February 2010 Cr Eaton / Cr Graham	Internal legal Counsel has been appointed. Quarterly Reporting will commence from 8 December 2010 Council Meeting.
7	Shire Planning	<p>9.5 - Notice of Motion – Sea Level Rise Notification</p> <p>1 That Council <u>write</u> to all property owners affected by the State Governments sea level rise policies (ie 40 cm by 2050 and 90 cm by 2100).</p> <p>2 That the text of the letter be <u>endorsed</u> by Council</p>	24 February 2010 Cr Eaton / Cr Graham	Legal advice received. Letter drafted. Work proceeding to identify affected properties.

No	Department	Question Asked / Councillor	Meeting Asked	Status
8	Corporate Services	<p>8.4 - Notice of Motion – Public Access to Coast via Tuggerah Lakes Golf Course</p> <p>1 That Council <u>note</u> the closure of the long-established public access to the coast through the golf course at the northern end of the course resulting from the locking, by the Club, of the gate at this location.</p> <p>2 That Council <u>request</u> the General Manager to provide a detailed report on the arrangement between the Tuggerah Lakes Golf Club and the Shelly Beach Recreation and Flora (R73287) Reserve Trust.</p> <p>3 That Council <u>seek</u> legal advice, through a report from staff, on the issues affecting the public's right of access to the Tuggerah Lakes Golf Course including, but not exclusively so:-</p> <ul style="list-style-type: none"> a What rights, are accorded to the general public. b Council's ability, or otherwise, to enforce the public's right of access. c Establishing what is a reasonable and lawful interpretation of "proper purpose". d Council's liabilities in terms of the safety issues and in terms of protecting the assets. e Council's obligations to ensure the Club protects the public appropriately from the risks of access. f What rights, if any, are accorded to the adjacent neighbours g The relevance and quality of the existing lease as an appropriate commercial arrangement. <p>4 That Council <u>formally advise</u> the Tuggerah Lakes Golf Club that it does not support the recent closure of the gate at the northern end of the course and <u>request</u> the Club to reopen the gate.</p>	<p>14 April 2010 Cr Eaton / Cr Best</p>	<p>Legal advice has been received and additional meetings have been held with the Golf Club and Megan Harrison. A report will be submitted to the first meeting in 2011.</p>

No	Department	Question Asked / Councillor	Meeting Asked	Status
9	Shire Services	<p>7.2 - Notice of Motion – Shared Pathway (matching funds for Pathways and Various Council Facilities)</p> <p>1 That Wyong Shire Council <u>build</u> partnerships with community in building and extending the network of shared pathways throughout the Shire identified in the Draft On-Road Bicycle and Shared Pathway Strategy policy document and community assets consistent with the objectives of the Shire Strategic Vision, including but not limited to halls, community gardens, sporting facilities etc through community fund raising. Funds raised by the community to be matched by Council on a ratio of 1:2. Community must raise a threshold amount of \$10,000 before work on a section would be placed into the forward rolling works program. These projects would be over and above the existing planned works. There would be a limit of \$300,000 per annum dedicated to the scheme by Council.</p> <p>2 That Council <u>consider</u> the inclusion of this scheme in the 2011 – 2012 Management Plan or during the Quarterly Review if the opportunity arises.</p> <p>3 That Council <u>advertise</u> the Scheme widely multiple times throughout the year.</p> <p>4 That Council staff <u>develop</u> a set of guidelines for consideration of these projects and <u>submit</u> to Council for adoption.</p>	<p>12 May 2010 Cr Wynn / Cr Vincent</p>	<p>As a result of the Councillor briefing on 28 July 2010 staff must consult with community groups on the matching fund guidelines prior to reporting to Council. Aim to report guidelines to Council by year end.</p>
10	Shire Planning	<p>7.6 - Notice of Motion – Warnervale Town Centre Viability</p> <p>That Council staff <u>report</u> on the viability of developing the 1,100 units proposed for Warnervale Town Centre and possible variation of proposed densities to ensure viable town centre development.</p>	<p>12 May 2010 Cr Eaton / Cr Best</p>	<p>Council has made representations to the Department of Planning (DoP) recommending amendments to the Development Control Plan (DCP) and State Environmental Planning Policy (SEPP) which will impact on the results of this assessment. Therefore, this assessment has been delayed.</p>

No	Department	Question Asked / Councillor	Meeting Asked	Status
11	General Manager's Unit	<p>9.3 - Notice of Motion – Central Coast Tourism Annual Funding</p> <p>1 That Council <u>congratulate</u> Central Coast Tourism Inc (CCTI) on the restructuring, rebranding and improved servicing of the important local tourism industry.</p> <p>2 That Council in recognition of such improvement <u>review</u> CCTI core operational funding.</p> <p>3 That Council <u>receive</u> a briefing on 23 June 2010 with CCTI to discuss operational issues with a report to 23 June 2010 meeting documenting service improvements identifying how operational funding from Council should be improved to around \$150,000 (excl GST) per annum.</p>	26 May 2010 Cr Webster / Cr Graham	<p>The Finance Section has been advised to include additional \$55,000 expenditure in the budget during the September Budget Review (as this resolution was after the adoption of the 2010-11 Annual Plan).</p> <p>A Memorandum of Understanding for 2010-11 has been drafted addressing funding, reporting and implementation of the Destination Management Plan. Central Coast Tourism advised on 18 August 2010 that they are reviewing the draft document.</p>
12	Shire Planning	<p>8.1 - Notice of Motion – Clause 14 Fund Improving Conservation Outcomes</p> <p>That staff <u>investigate</u> and report back to Council on the best use of the Clause 14 (3) (b), funds for improving conservation outcomes.</p>	14 July 2010 Cr Wynn / Eaton	Report will be presented to Council subject to confirmation of a briefing date.
13	Shire Services	<p>10.2 – Notice of Motion – San Remo Disability Friendly Xtreme Sports Park</p> <p>1 That Council <u>consult</u> with the community and potential stakeholders to develop a sustainable management mode of operation for the San Remo Disability Friendly Xtreme Sport Park to determine the model for ongoing activation of this valuable community asset.</p> <p>2 That Council, following initial community consultation, <u>conduct</u> an on-site meeting to understand the potential for the site.</p> <p>3 That Council <u>consider</u> a report on the outcome of the above, including the financial and recourse implications to Council.</p>	25 August 2010 Cr McBride / Wynn	Community consultation program scheduled over the coming 4 months. Report back to Council in February 2011.
14	Shire Services	<p>8.1 Notice of Motion - Fluorescent Light Globes and Batteries Recycling</p> <p>1 That Wyong Shire Council <u>introduce</u> a fluorescent light globe and battery recycling program for a 1 year trial after which time a report is to come back to Council outlining the success or otherwise of the program and its cost.</p> <p>2 That Wyong Shire Council <u>enable</u> this recycling to occur by providing suitable collection sites</p>	8 September 2010 Cr Wynn/ Vincent	A report will be submitted to Council once the feasibility of this program has been investigated.

No	Department	Question Asked / Councillor	Meeting Asked	Status
15	General Managers Unit	<p>U22/10 Motion of Urgency - Central Coast Region Accessing the Regional Infrastructure Fund</p> <p>1 That Council <u>liaise</u> with the Federal Minister for Regional Development with a view to the Federal Government recognising the Central Coast as a region and accessing the new \$9.9 billion Regional Infrastructure Fund.</p> <p>2 That Council <u>approach</u> all Local Federal Members to support this approach.</p> <p>3 That Gosford City Council <u>be copied</u> in on this motion and <u>requested</u> to pass a complementary resolution with the view to making a joint regional submission.</p>	8 September 2010 Cr Eaton/Best	<p>22 Sep 2010 - Letters sent to Hon Simon Crean MP, Minister for Regional Australia, Ms Jill Hall MP, Federal Member for Shortland, Mr Craig Thomson MP, Federal Member for Dobell, Mr Chris Holstein, Mayor Gosford City Council and Mr Anthony Dow, Executive Officer Regional Development Australia, Central Coast NSW. The letter drew their attention to Council resolution of 8 September 2010 and asked for further information and support of Council in gaining access to the \$9.9 billion Regional Infrastructure fund. Further report to follow when additional information is received.</p> <p>5 Oct 2010 - Letters sent to local MPs, Minister for Regional Australia and RDA Central Coast seeking further information about applying for funding under this program, to date no further correspondence has been received.</p> <p>A delegation consisting of the Mayor and General Manager will be made to Canberra on 22 and 23 November to discuss this issue.</p>

No	Department	Question Asked / Councillor	Meeting Asked	Status
16	Shire Services	<p>10.1 Notice of Motion - Efficiencies and Power Pricing Options</p> <p>1 That Council <u>note</u> with great concerns the alarming escalation of electricity pricing and the financial impact it is placing on our residents and ratepayers.</p> <p>2 Further that Council, as a matter of urgency, <u>seek</u> a formal briefing from the local peak energy provider Energy Australia regarding the recent alarming price hikes and as to what effective energy efficiency options are available to reduce usage and price.</p> <p>3 That Council, as an advocate on behalf of our residents and rate payers, seek to <u>establish</u> an independent investigation into the conduct of the energy industry and agencies that has resulted in the recent massive price hikes.</p> <p>4 That staff <u>report</u> to Council on options, initiatives and recommendations arising from the above to assist our residents and rate payers in dealing with this challenging situation.</p> <p>5 That staff <u>report</u> to Council on the affect on energy bills of installation of smart meters.</p>	13 October 2010 Cr Best/ Wynn	<p>A formal briefing with Energy Australia to be arranged.</p> <p>Reports to follow after briefing.</p>
17	Corporate Services	<p>Q109/10 - Regional Hospital Cutbacks</p> <p><i>"It has been reported in the media that the Federal Government has redirected hospital funding into the regions, reportedly resulting in substantial cutbacks to our regional hospital at Gosford. As the Central Coast is a region and that the Federal Government funding adjustment was indicated to favour the regions how is it that this region appears to have suffered a health funding cutback?"</i></p>	13 October 2010 Cr Best	A response will be submitted a future meeting of Council.
18	Shire Planning	<p>Q110/10 - Bus Services in our Shire's North</p> <p><i>"A recent significant transport announcement was made by the State Government with regard to improving bus services and scheduling. This timely announcement is welcomed by the broader community, however could you please have staff confirm as to exactly what increased services residents and ratepayers will now enjoy north of the Wyong Township?"</i></p>	13 October 2010 Cr Best	A response will be submitted to Council on 8 December 2010 Ordinary Meeting.

No	Department	Question Asked / Councillor	Meeting Asked	Status
19	Shire Planning	<p>Notice of Motion - Lake Audit on Power Station Effects</p> <p>1 That Council <u>request</u> the NSW State Government conduct a comprehensive audit of the power industry's environmental impact on Lake Macquarie, Lake Munmorah and Lake Budgewoi.</p> <p>2 That Council <u>request</u> the State Government ensure the audit identified any consequent health risks to the residents in the surrounding locale.</p> <p>3 That Council <u>recommend</u> the audit be funded from the dividend extracted from the industry by the NSW Government.</p>	27 October 2010 Councillors Wynn & Best	Letter to the Minister has been drafted.
20	Shire Services	<p>Notice of Motion – Acknowledgement of the Darkinjung People</p> <p><i>That Council <u>defer</u> this item to allow time to further consider this matter and receive further information.</i></p>	27 October 2010	A report will be submitted to Council in early 2011.
21	Shire Planning	<p><i>Mayoral Minute – Local Job Creation – the Shire of the Third Age</i></p> <p><i>That Council <u>adopt</u> a strategic target of creating 5,000 local jobs over 10 years by creating Wyong Shire as a nationally recognised district of excellence in aged housing. The following strategies would be involved in reaching this target:</i></p> <p>a <i>Establish a register of sites appropriate for development of aged housing and facilities based on appropriate parameters including size and location.</i></p> <p>b <i>Increasing flexibility in the new Local Environmental Plan to encourage aged housing for example consider allowing aged housing and associated medical facilities in the Wyong Employment Zone.</i></p>	10 November 2010	Meetings and investigations currently being conducted. Outcome will be reported by to Council in 2011.

No	Department	Question Asked / Councillor	Meeting Asked	Status
		<p>c Amend dual occupancy DCP to encourage the redevelopment of single cottages more than 30 years old in existing urban areas. Recognising that dual occupancy development is generally suitable for aged housing and replacing old housing with new housing increases energy and resource and Environmental efficiency.</p> <p>d In conjunction with the public and private sector identify and market the advantages of Wyong Shire for aged housing.</p> <p>e Reviewing Council owned sites for possible aged housing including the Warnervale Country Music site.</p> <p>f Work with local registered clubs to encourage their participation in this sector and identify and ameliorate barriers to entry.</p> <p>g Call for expressions of interest to form an expert panel to advise Council on this initiative.</p>		
22	Corporate Services	<p>Notice of Motion – Women’s Committee</p> <p>1 That Council <u>include</u> consideration of a Status of Women Committee during their deliberations on the whole committee structure.</p> <p>2 That Council <u>consider</u> participation / membership to include Councillors, staff and community representatives to support women’s issues within the Local Government area.</p>	10 November 2010	Briefing to Councillors is proposed on 8 December 2010 as part of Councillors Committee Structure.

23	Shire Planning	<p>Notice of Motion – Lot 1 DP 450166 Main Road, Toukley</p> <p>1 <i>That further to Council's consideration of this matter on 11 June 2008 and staff reply (reports attached), Council <u>reiterate</u> on behalf of its residents and ratepayers its serious concern regarding the unsightly and potentially unsafe condition of the partially built structure locally know as the Toukley Taj Mahan on Lot 1 DP 450166, Main Road, Toukley at the bridge.</i></p> <p>2 <i>That acknowledging the substantial period of time that has lapsed since any work has taken place on the property and noting that a Notice of Intent has been issued requiring the completion of the development:</i></p> <p>a <i>Council <u>proceed</u> to issue a formal Order for completion.</i></p> <p>b <i>Council's legal counsel <u>investigate</u> any other avenues to achieve completion.</i></p> <p>c <i>Should the owners not comply with the terms of the Order upon its expiry, Council <u>commence</u> legal action in the Land and Environment Court.</i></p>	10 November 2010	Notice of Intent issued on 26 October 2010.
24	Shire Planning	<p>Notice of Motion – Call to Close Dirty Coal Generator</p> <p>1 <i>That Council <u>investigate</u> reports that the State Government through Delta Electricity is seeking to divest itself of the aging Munmorah Station with a view to retaining the soon to be upgraded Colongra portion. As this station was constructed in the mid 60s and upgraded in the early 1980s it is the most polluting power station and clearly the general site is significantly environmentally degraded.</i></p>	10 November 2010	Letters are being drafted in response to Point 2 of the recommendation.

		<p>2 That further residents and ratepayers of the Shire's north have endured dust, noise and health challenges associated with dirty coal generation it is with this understanding that Council <u>seek</u> to confirm the State's intention subject to confirmation, Council on behalf of our residents and ratepayers call on the State Government to demolish the aging Station and utilise the land for more conventional and environmentally friendly employment generating opportunities.</p> <p>3 That Council <u>request</u> staff investigate appropriate notations to be attached to the Section 149 Certificate for the land associated with the Power Station to deal with the degraded and likely contamination issues associated with the site.</p>		
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Questions Without Notice and Notices of Motion Removed from the Above Lists since the Previous Meeting

Question without Notice / Notice of Motion	Date Asked/ Councillor	Outcome
Q107/10 - Water Leakage on Ratepayers property	13 October 2010 Cr Webster	A response is included in this Business Paper
Q108/10 - Swimming areas at Gwandalan and Mannering Park	13 October 2010 Cr Symington	A response is included in this Business Paper
9.2 - Notice of Motion – Economically and Environmentally sustainable Living – Demonstration House	24 February 2010 Cr Best / Cr McNamara	A report is included in this Business Paper
10.1 - Notice of Motion – LDO Coal Chain Valley Bay Colliery	10 March 2010 Cr Wynn / Cr Vincent	Letters have been issued and responses will be reported to Council as received.
6.4 - Notice of Motion – Bicycle Racks on Buses	28 July 2010 Cr Wynn / Best	A report is included in this Business Paper

Question without Notice / Notice of Motion	Date Asked/ Councillor	Outcome
10.1 – Notice of Motion – University Parking Solutions	25 August 2010 Cr Eaton / McNamara	A report on Ourimbah Campus Parking, is included in this Business Paper, in response to this issue.
U21/10 - Motion of Urgency - Proposed State Environmental Planning Policy (SEPP)	11 August 2010 Cr Wynn / Symington	Letters have been issued and responses will be reported to Council as received.
5.2 - Notice of Motion – Elected Council Independent Legal Advisor	10 February 2010 Cr Eaton / Cr Graham	Internal legal Counsel has been appointed. Quarterly Reporting will commence from 8 December 2010 Council Meeting.

10.1 Answers to Question Without Notice

TRIM REFERENCE: F2004/05476 - D02425144

AUTHOR/MANAGER: Greg Ashe, Manager Finance

10.1 Q107/10 - Water Leakage on Ratepayers Property

The following question was asked by Councillor at the Ordinary Meeting on 13 October 2010:

“Could staff please advise whether the policy applicable to accidental water leakage on a ratepayers property is a local policy or a state policy and how can Council assist with excessive bills?”

There is no formally adopted policy, although Wyong Shire Council (WSC) has been using internal guidelines established by WSCs Management Executive Committee (Manex) in 2003. The guidelines provided a basic benchmark of 50% reduction in water usage charges attributable to water lost through concealed leaks.

Councils reduction guideline is similar to both Gosford Council and Sydney Water with the exception that those authorities have a maximum reduction of 1,000 kilolitres. In comparison with those water authorities, the WSC guideline provides more favourable outcomes for customers with water losses in excess of 2,000 kilolitres.

Hunter Water's policy provides for a 100% reduction in respect to the additional usage over the corresponding period in the prior year which clearly provides the best outcome to the customer.

Excessive losses from concealed leaks are treated on a case by case basis. Circumstances are investigated as to why the leak occurred and a determination made by senior staff.

Such decisions seek to ensure that the final amount to be paid by the ratepayer is fair and reasonable balanced with ensuring that the impact on all ratepayers is properly considered.

Water losses through undiscovered leaks are unfortunate, however accountability by way of having to meet some charges, is essential for ensuring that landowners pay appropriate and timely attention to discovering and repairing faults on their properties.

WSC is usually able to bring these matters to ratepayers' attention by way of exception reports that are generated daily after each "meter reading run" to identify significant "spikes" in usage on individual properties.

ATTACHMENTS

Nil.

10.2 Answers to Question Without Notice

TRIM REFERENCE: C2010/05513 - D02415953

AUTHOR: Colleen Rogers, Student project Assistant, Open Space and Recreation
MANAGER: Brett Sherar, Manager Open Space and Recreation

10.2 Q108/10 - Swimming areas at Gwandalan and Mannering Park

The following question was asked by Councillor Symington at the Ordinary Meeting on 13 October 2010:

"In relation to the swimming areas at Gwandalan and Mannering Park, could staff report on the current condition and future requirement and/or replacement of the nets?"

The nets at Gwandalan and Mannering Park are designed to provide a safe swimming area for the community by excluding marine predators and defining an area for swimmers away from marine vessels. Council inspects and cleans these nets annually prior to the swimming season to ensure that the nets are functioning effectively.

Prior to Christmas 2009, Council held an on-site meeting with Mannering Park residents and members of the precinct committee. The purpose of the meeting was to listen to the community in regard to issues that had been raised at the previous precinct committee meeting. Amongst a broad range of issues the community raised was that of the condition of the swimming nets at the baths. The nets were cleaned and inspected in-situ by Council staff in September 2009. However the precinct committee further requested that the nets be removed from the water, cleaned, tightened and then refitted. Staff informed the precinct committee that the nets would be removed after the swimming season.

The nets were inspected by Council staff during winter this year to ensure that there were no holes, and determine the overall condition prior to the onset of the swimming season. The audit determined that the nets were in very poor condition and were unable to be completely removed from the water. There were a number of significant holes, and the netting had become stretched by the weight of the trapped material, rendering the nets ineffective in excluding marine predators.

The nets were therefore cleaned in the water, as it was determined that if removed from the water the nets would most likely become further damaged and unusable. There are no funds available for the replacement of the swimming nets in the current budget. All existing holes were patched to ensure the functionality of the nets. The nets were cleaned again in early September 2010 and involved the removal of trapped rubbish, seaweed, algae, barnacles, razor clams and other items growing on the nets.

Given the condition and age of the nets, replacement is likely to be required in approximately 1-2 years. The cost of a new swimming net is estimated at approximately \$13,000 per net, which has a lifespan of approximately 5-8 years. Given the cost of these nets, the ongoing maintenance required and the short lifespan, the swimming nets may not be the most appropriate measure of designating swimming areas. Discussions with Lake Macquarie City Council identified that all swimming nets within the Lake Macquarie LGA have been removed and are no longer implemented.

10.2 Q108/10 - Swimming areas at Gwandalan and Mannering Park (contd)

Although the nets are designed to exclude marine predators from the swimming area, they may have attracted a number of potentially dangerous species to the swimming area. During the cleaning process, a Council staff member witnessed what was believed to be a Blue-ringed Octopus attached to the base of one of the nets. Several locals have also advised that they have seen Blue-ringed Octopus, around the nets on regular occasions. Furthermore Razor Clams often become attached to the nets which could cause injury to swimmers if they come into contact.

Over the coming months staff will consider the cost benefit of the replacement of the nets and alternative options such as the implementation of warning signs to identify the risks involved in swimming in these areas. This will be undertaken to inform the budget process for 2011/12. As part of this process the community will be consulted through the precinct committees.

ATTACHMENTS

Nil.

24 November 2010

To the Ordinary Meeting

Councillor

11.1 Notice of Motion - Old Sailing Club Building at Tuggerah Parade, Long Jetty

TRIM REFERENCE: C2010/05303 - D02426590

AUTHOR: Councillor Graham

Councillor Graham has given notice that at the Ordinary Meeting to be held on 24 November 2010 he will move the following Motion:

- "1 That Council write to the Land and Property Management Authority and to the Minister for Lands the Hon Tony Kelly MLC seeking their immediate attention to the state of disrepair of their property at Tuggerah Parade Long Jetty.*
- 2 That Council staff seek agreement of the LPMA to reimbursement of Council costs in undertaking rapid graffiti removal on the facility on an ongoing basis.*
- 3 That Council thank The Entrance Precinct Committee for its ongoing advocacy in the rectification of graffiti in the local area."*

24 November 2010

To the Ordinary Meeting

Councillor

11.2 Notice of Motion - Drains along Long Jetty Foreshore

TRIM REFERENCE: F2007/00877 - D02427910

AUTHOR: Councillor Graham

Councillor Graham has given notice that at the Ordinary Meeting to be held on 24 November 2010 he will move the following Motion:

- "1 That Council research the potential to develop a program similar to "Adopt a Road" to be applied to specific stormwater drains within the Shire.*
- 2 That Council refer the issue to the Tuggerah Lakes Estuary, Coastal and Floodplain Management Committee for consideration, should such a program be feasible from an environmental, social and financial perspective.*
- 3 That Council express its thanks to Messrs Darlington, Bond and Bevege for their initiative in suggesting the scheme."*

24 November 2010

To the Ordinary Meeting

Councillor

11.3 Notice of Motion - Council calls to Support Local Nurses

TRIM REFERENCE: F2004/08724 - D02428911

AUTHOR: Councillor Best

Councillor Greg Best has given notice that at the Ordinary Meeting to be held on 24 November 2010 he will move the following Motion:

- 1 *That Council in an advocacy role support the Central Coast nursing association's call for a safer and more appropriate nurse to patient ratio in our local hospitals.*
- 2 *That Council formally make representation on behalf of our local nurses to the State health minister & all local members.*
- 3 *That Council seek to engage it's residents & ratepayers on this critical public health issue through conducting a shire wide petition online with a view to demonstrating this communities genuine concern at the unacceptable nurse to patient ratios currently in our Central Coast Hospitals.*
- 4 *That Council recognise the outstanding contributions made by our local health professionals."*

COUNCILLORS NOTE

Attached to this Motion is a copy of an article from the Express Advocate 10 November 2010 outlining the key issues surrounding this matter.

- 1 Extract from Central Coast Express Advocate Nov 10 2010 D02429120

CENTRAL COAST NEWS

expressadvocate.com.au +

Nurses united in fight for better healthcare

CLARE GRAHAM

NURSES staged a lunchtime rally outside Gosford Hospital on Friday calling for a major overhaul of the NSW's public hospital and healthcare system.

NSW Nurses Association spokeswoman Christine Kirby said it was time nurses were given an appropriate nurse-to-patient ratio in order to deliver a safe level of care.

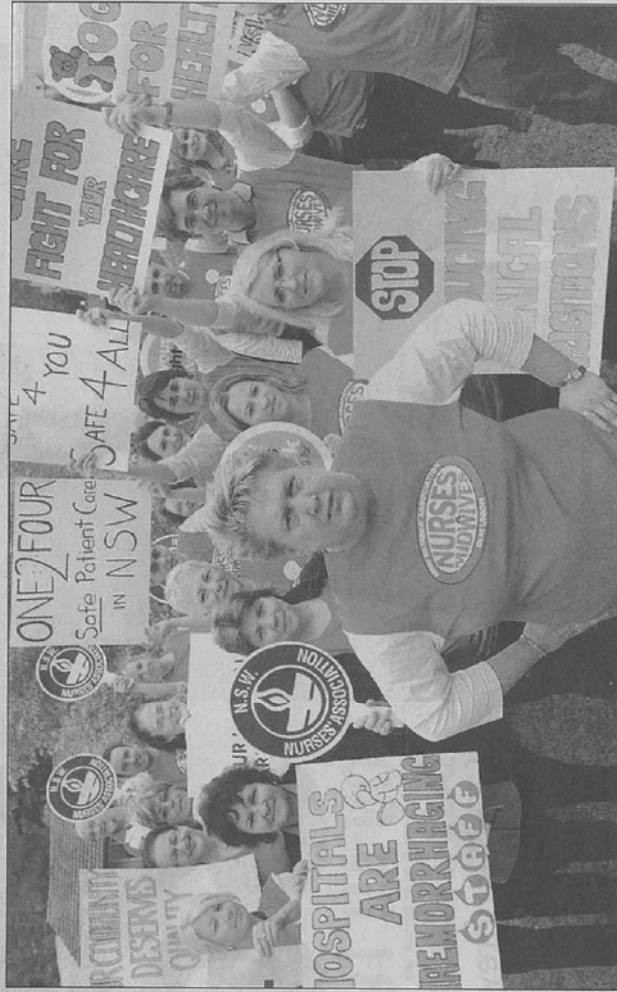
So far the State Government has rejected the union's ratio claim of one nurse for every four patients.

"Our main concern at Gosford Hospital is the current one nurse to six patients ratio. "This is simply not good enough," Mrs Kirby said.

"When I started nursing in 1978 there were eight nurses for a 24-bed ward."

Mrs Kirby said she was aware of one particular ward at Gosford Hospital that had six nurses to 32 patients and feared the number of staff overseeing the ward could drop.

She said the union's campaign to improve patient care and safety was pushing for community support and understanding.



Picture: MARK SCOTT

Christine Kirby with nurses make their point outside Gosford Hospital.

Community representative Audrey McDonald, of the Central Coast Women's Health Inter-Agency Group, said it was important for nurses to continue their

fight in the lead-up to the State Election. Similar rallies were held around the State including Royal North Shore and John Hunter hospitals.



Comment online

Do you support the nurses' campaign?

www.expressadvocate.com.au