



Town of Cottesloe

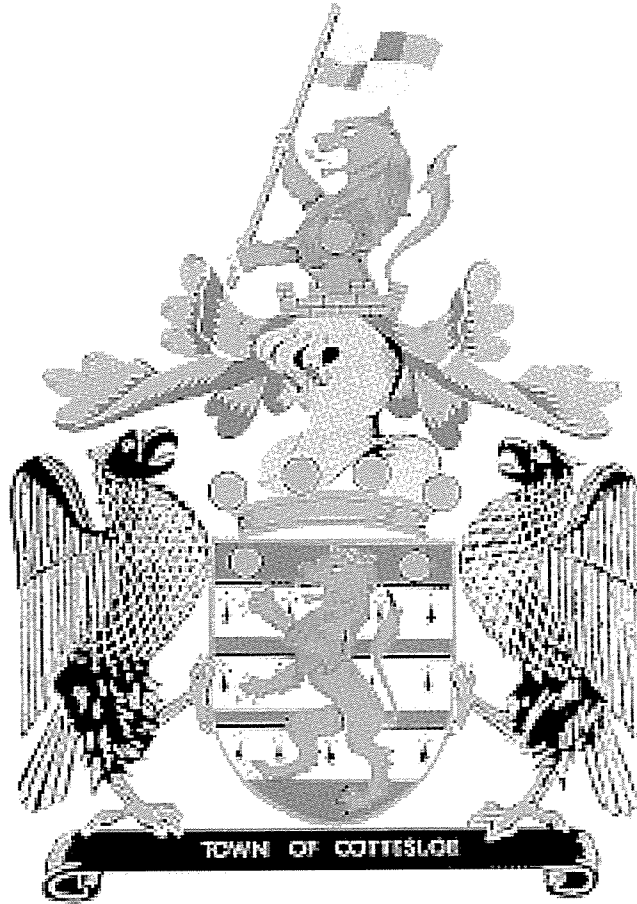
**STRATEGIC PLANNING
COMMITTEE**
20 August 2014

DEPOT FUNDS STRATEGY

ATTACHMENT

**DEPOT FUNDS ALLOCATION
STRATEGY**

TOWN OF COTTESLOE



DEPOT FUNDS ALLOCATION STRATEGY

FOR THE PERIOD 1 JULY 2014 TO 30 JUNE 2024

Depot Funds Strategy

	Year ended 30 June												
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024			
Category A Projects													
Replace Slab Footpaths	A01	-	115,825	118,721	121,689	-	127,849	131,045	134,321	-	-	TOTAL	749,450
Payout Existing Loans	A02	4,318,204	-	-	-	-	-	-	-	-	-	-	4,318,204
Replace Beach Access Paths	A03	-	123,000	126,075	129,227	-	-	-	-	-	-	-	378,302
Carparks 1 and 2	A04	-	164,000	210,125	-	-	-	-	-	-	-	-	374,125
Retaining Walls at Beach	A05	50,000	153,750	157,594	161,534	-	-	-	-	-	-	-	522,877
Restoration of Cottesloe Pylon	A06	-	128,125	-	-	-	-	-	-	-	-	-	128,125
Project Management Costs	A07	70,000	143,500	147,088	150,765	-	-	-	-	-	-	-	511,352
Category B Projects													
Toilets Main Beach	B01	270,000	1,025,000	1,050,625	-	-	-	-	-	-	-	-	2,345,625
Town Centre Improvements	B02	100,000	410,000	735,438	-	-	-	-	-	-	-	-	1,245,438
John Black Dune Park	B03	50,000	461,250	525,313	-	-	-	-	-	-	-	-	1,036,563
Lesser Hall	B04	50,000	307,500	-	-	-	-	-	-	-	-	-	357,500
Category C Projects													
New Toilets (South Cottesloe)	C01	-	-	-	53,845	496,716	-	-	-	-	-	-	550,560
Implement Foreshore Plan	C02	-	25,625	183,859	188,456	137,977	-	-	-	-	-	-	535,917
Contribution to Watch Tower	C03	-	-	315,188	-	-	-	-	-	-	-	-	315,188
Bike Path on Foreshore	C04	-	-	52,531	161,534	165,572	169,711	173,954	178,303	182,760	187,329	-	1,271,695
Path Infrastructure Train Station to E	C05	-	-	52,531	269,223	-	-	-	-	-	-	-	321,754
Proceeds from New Loans													
New Loan - Indiana Refurbishment	L01	-	2,000,000	-	-	-	-	-	-	-	-	-	-
New Loan - John Black Dune Park	L02	-	-	-	1,000,000	-	-	-	-	-	-	-	-
New Loan - Toilets (South Cottesloe)	L03	-	-	-	-	500,000	-	-	-	-	-	-	-
Payments for New Loans													
New Loan - Indiana Refurbishment	L01	-	-	-	181,818	181,818	181,818	181,818	181,818	181,818	181,818	181,818	1,818,181
New Loan - John Black Dune Park	L02	-	-	-	-	90,909	90,909	90,909	90,909	90,909	90,909	90,909	909,090
New Loan - Toilets (South Cottesloe)	L03	-	-	-	-	-	45,455	45,455	45,455	45,455	45,455	45,455	454,545
Funds Consumed		4,908,204	3,057,575	1,675,086	418,089	572,992	615,742	623,181	630,806	500,942	505,511	13,508,129	
Funds Beginning Year		8,100,000	3,835,952	1,305,677	77,140	105,601	20,841	17,668	48,738	72,184	225,493		
Funds Consumed		4,908,204	3,057,575	1,675,086	418,089	572,992	615,742	623,181	630,806	500,942	505,511		
Funds End of Year		3,191,796	778,377	369,409	340,948	467,391	636,583	605,513	582,068	428,759	280,018		
Interest		197,606	80,751	-	-	-	-	-	-	-	-		
Reduced Loan Liability		446,549	446,549	446,549	446,549	446,549	654,251	654,251	654,251	654,251	654,251		
Reserve Balance EOY		3,835,952	1,305,677	77,140	105,601	20,841	17,668	48,738	72,184	225,493	374,233		

NOTES

Category A Projects

These projects are essentially *shovel ready* projects that are of a known quantity and the expenditure is going to be incurred whether or not it is included in this project at some point in the next 10 years.

Category B Projects

These are projects that have been awaiting funding for sometime, however the exact quantities are not as yet known, they require some design work and are not included in any asset replacement plan at this stage

Category C Projects

These projects are more conceptual than concrete and indicate projects that would be for the betterment of Cottesloe, but as yet have no detailed design work completed and/or require significant community consultation.

A01 - Replace Existing Slab Footpaths

The Town has in place a program to replace all of its existing concrete slab footpaths over a period of 20 years. The allocations made in this area will allow the program to be completed ahead of time. Replacing these footpaths will not only result in lower maintenance costs, it will also mean the regular allocation made in the Annual Budget for footpath replacement, will be able to be directed to other asset replacements.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	-	113,000	113,000	113,000	-	113,000	113,000	113,000	113,000	-
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Task / Allocation										
Relace existing paths	113000									
Relace existing paths		113000								
Relace existing paths			113000							
Relace existing paths					113000					
Relace existing paths						113000				
Relace existing paths							113000			
Relace existing paths								113000		

A02 - Payout Existing Loans

The Town has a high level of debt, which contributes to an annual operating loss. The intention is to reduce the level of debt overall, so that the interest payments do not adversely affect the operating budget. By paying out the loans early and then redrawing new loans at a lower level when the funds are required, the interest on the loans should reduce from their current high levels to lower levels, and the overall expense reduced.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	4,318,204	-	-	-	-	-	-	-	-
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Loan Name	Loan Number								
Cottesloe Tennis Club	104	-	-	-	-	-	-	-	-
Seaview Golf Club	105	-	-	-	-	-	-	-	-
Civic Centre Extensions	106	-	-	-	-	-	-	-	-
Joint Library Project	107	4,318,204	-	-	-	-	-	-	-

A03 - Replace Beach Access Paths

The Town has 29 beach access paths along the coastline that it manages. Many of these are approaching the end of their useful life and a program needs to be set in place to refurbish them. The expenditure listed will see the most costly refurbishments done, with the remainder to be scheduled over a period of 10 years and included in asset replacement section of the annual budgets.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	-	120,000	120,000	120,000	-	-	-	-	-
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Task / Allocation									
Rebuild beach access paths	\$ 120,000								
Rebuild beach access paths		\$ 120,000							
Rebuild beach access paths			\$ 120,000						

A04 - Carparks 1 and 2

The works listed below are the replacement of the surface within these carparks. While it is anticipated that any refurbishment will be a part of a larger project, additional funds and support will be sought for these projects from other agencies.

	Year ended 30 June									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	-	160,000	200,000	-	-	-	-	-	-	-
Task / Allocation										
Reseal Carpark 1		\$ 160,000								
Reseal Carpark 2			\$ 200,000							

A05 - Retaining Walls at Beach Front

Cottesloe Beach is known for a number of things, one of which is the grassed terraces that sit at the northern end of Cottesloe Beach. The retaining walls that support the terraces were constructed in the 1930's and will need major refurbishment works in the next few years. The work is being spread over a period of four years to minimise the disruption at any given time and to allow for a staged replacement when the assets eventually need replacing.

	Year ended 30 June									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
TOTAL ALLOCATED TO SUMMARY SHEET	50,000	150,000	150,000	150,000	-	-	-	-	-	-
Task / Allocation										
Engineering consultancy	\$ 50,000									
Replacement year 1		\$ 150,000								
Replacement year 2			\$ 150,000							
Replacement year 3				150000						

A06 - Restoration of Cottesloe Pylon

Another icon of Cottesloe Beach is the Cottesloe Pylon. In recent years, storms and tidal movements have weakened the base of the pylon such that restorative works are now required. While the Town has previously undertaken remediation works, further work is needed and hence has been budgetted for.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	-	125,000	-	-	-	-	-	-	-
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Task / Allocation	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Restoration works	\$ -	\$ 125,000								

A07 - Project Management Costs

The projects listed within this strategy are intended to occur on top of the normal works that the Town would undertake. As such, additional staff resources will be required to implement these projects. Not allowing sufficient funds for project management will likely result in costly delays. The funds below would secure the services of an experienced project manager on a short term contract.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	70,000	140,000	140,000	140,000	-	-	-	-	-
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Task / Allocation	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Project Manager	\$ 70,000									
Project Manager		\$ 140,000								
Project Manager			\$ 140,000							
Project Manager				140000						

B01 - Toilets Main Beach

This project is a complex project that will involve completely removing the existing facilities and rebuilding them, with likely changes to the surrounds, the leasable area and the lease itself. Any works will also require approvals from WAPC, the facilities themselves will require significant engineering works and there will no doubt be some level of community consultation involved as well. The spending has been allocated as such.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	270,000	1,000,000	1,000,000	-	-	-	-	-	-
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Task / Allocation	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Design work and consultation	\$ 150,000									
Legal fees, valuations and approvals	\$ 70,000									
Consultants (other)	\$ 50,000									
Construction (phase 1)		1000000								
Construction (phase 2)			1000000							

B02 - Town Centre Improvements

The Town has already set aside ove \$300,000 in its annual budget to improve and or replace the aging infrastructure in the Town Centre. As the last major upgrade was undertaken in the late 1980's, much of this infrastructure is worn and overdue for replacement. This project seeks to bring much of the work forward and provides a real improvement for local people accessing the area on regular basis.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	100,000	400,000	700,000	-	-	-	-	-	-
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Task / Allocation	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Reconstruct Paving and Road Surface		\$ 400,000								
Relocate Drainage and soak pits	\$ 50,000									
Design work - train station integration	\$ 50,000									
Construction Train Station Integration			700000							

C01 - Additional Toilets (South Cottesloe)

Some years ago, a set of ablation facilities near the South Cottesloe Groyne were removed, with the intention that they would be replaced. The original toilets were removed for a number of reasons, including environmental and maintenance concerns. The cost of replacing the facilities has meant that they have never been considered a high enough priority for replacement. The windfall from the Depot Sale may provide the funds needed to initiate this project. The long lead time is an indication that the design work and community consultation for this project would be significant tasks on their own.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET									
-	-	-	50,000	450,000	-	-	-	-	-

Task / Allocation	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Design work and approvals				\$ 50,000						
Construction work					\$ 450,000					

C02 - Implement Foreshore Plan

The Town adopted a foreshore redevelopment plan in 2012. The plan listed a number of projects, some of which have already been implemented, others that are being progressed either through the normal budget process or this strategy. The allocations in this section are for those items that are not large enough to attract their own unique project (and costing) but are still required for the overall completion of the plan. Small retaining walls, street furniture and signage are some examples of what could be covered.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET									
-	25,000	175,000	175,000	125,000	-	-	-	-	-

Task / Allocation	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Design work and approvals		\$ 25,000								
Construction work phase 1			\$ 175,000							
Construction work phase 2				\$ 175,000						
Construction work phase 3					125000					

C05 - Improved Train Station / Beach Interface

The link between the train station and Cottesloe Beach is a particularly important pedestrian link during the summer months. If more people are to be encouraged to use public transport during the peak summer months, particularly for events such as Sculpture by the Sea, the interface between the trainstation and footpaths that lead to be beach need to be improved.

Year ended 30 June									
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024

TOTAL ALLOCATED TO SUMMARY SHEET	-	-	50,000	250,000	-	-	-	-	-
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Task / Allocation									
Design work and staging			\$ 50,000						
Staged Construction Works				\$ 250,000					