

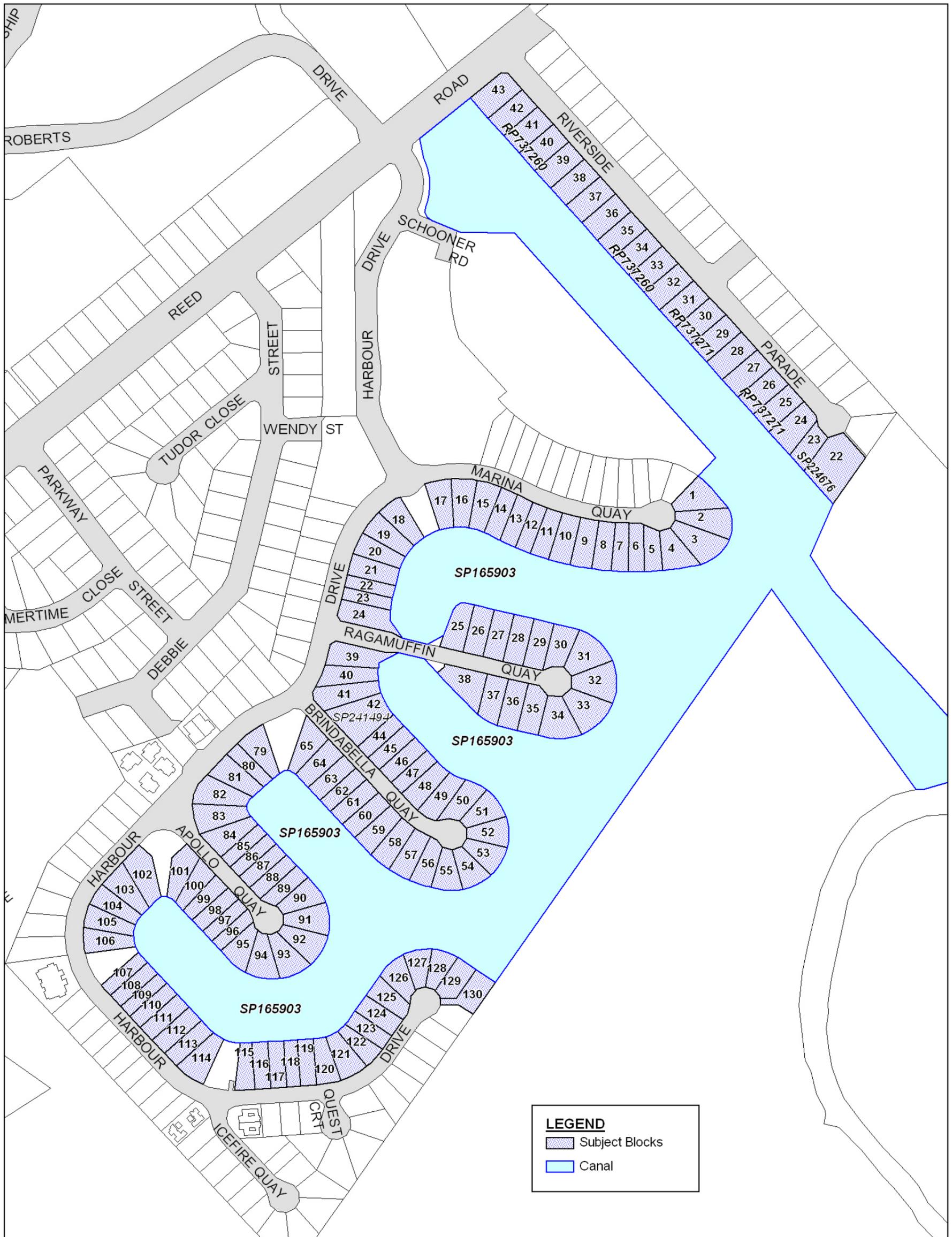
ATTACHMENT D. BLUEWATER CANAL – SPECIAL CHARGE

Tim Smith: 17/49/9-06: #3928997

- (1) That Council makes and levies a special charge on the land identified in this resolution for the purpose of funding works for the dredging and maintenance of the Bluewater Canal, Half Moon Creek and Offshore Channel.
- (2) The overall plan for the carrying out of the works be identified as follows:-
 - (a) The rateable land to which the plan applies is the land specified in this resolution;
 - (b) The service facility or activity for which the plan is made is the dredging and maintenance of Bluewater Canal, Half Moon Creek and Offshore Channel specified in Attachment 3 and providing for as the major elements:-
 - dredging of the Bluewater Canal, Half Moon Creek and Offshore Channel, including spoil disposal;
 - maintenance of channel markers and lights; and
 - hydrographic surveys;
 - (c) The extent of dredging each year varies and is very weather dependant. It is therefore considered appropriate to determine estimated costs for 2013/14 based on the average costs over the last three years;
 - (d) Therefore the estimated cost of implementing the overall plan in 2013/14 is \$646,000, of which the special charge is intended to raise approximately 83% of the funds, with the remaining 17% to be funded by Council from other sources in recognition of the fact that the canal, creek and channel are also accessed by other users via the public boat ramps at Bluewater and Yorkeys Knob;
 - (e) The estimated total funds required to carry out the plan in the 2013/14 financial year are more than that raised by the special charge in the 2012/13 financial year due to higher costs recently incurred to maintain the offshore channel.
 - (f) The time for implementing the overall plan is one year ending on 30 June 2014. However, the provision of canal dredging and maintenance will be an ongoing activity and further special charges are expected to be made in future years.
- (3) The land to which the special charge applies will specially benefit from the works, as compared to other areas of the Cairns region generally, for the reason that such land has the benefit of direct access to the canal, creek and offshore channel, the subject of the works. However, as more fully detailed in Attachment 3, Council considers it appropriate that the amount of the special charge vary between the different land identified below having regard to all matters relevant to the objective of achieving an equitable spread of the rating burden between all of the land to be rated and fairness between the different classes of land, including the extent to which, in Council's opinion, different land will specially benefit from the works. For example, Council acknowledges that the burden of the special charge should vary in recognition of: -
 - (a) Yorkeys Knob Marina's downstream location; and
 - (b) the fact that dredging does not take place within 29 metres of the water frontage of the land located on Riverside Parade, but that this particular land will nevertheless get the benefit of the dredging and maintenance works further downstream.
- (4) The following special charges are hereby made for the 2013/14 financial year:-

Property Description	Amount of special charge
Lots 1 to 41 on SP165903	\$1,757.28 per lot
Lots 42 on SP241494	\$1,757.28 per lot
Lots 44 to 65 on SP165903	\$1,757.28 per lot
Lots 79 to 130 on SP165903	\$1,757.28 per lot
Lots 22 to 23 on SP224676	\$ 878.64 per lot
Lots 24 to 31 on RP737271	\$ 878.64 per lot
Lots 32 to 43 on RP737260	\$ 878.64 per lot
Lot 186 on SP165903 (the "Bluewater Marina")	\$189,786.24
Lot 26 on SP122863 (the "Yorkeys Knob Marina")	\$121,312.60

- (5) The special charge is to be levied by two half yearly levies.
- (6) If, after the date of this resolution and before the levy of the special charge, a reconfiguration of any of the parcels of rateable land into one or more rateable lots is registered:-
- (a) The gross amount to be levied on the rateable lot or lots created by the reconfiguration, from the date of registration, is the amount specified in the table above for the rateable lot which existed immediately prior to the reconfiguration, adjusted on a pro rata time basis to produce an amount for the period from the date of registration of the reconfiguration to 30 June 2014.
 - (b) If more than one rateable lot is created by the reconfiguration, the gross amount must be apportioned to all of the rateable lots created:-
 - (i) on a pro rata land area basis, if the rateable lots are created by standard format plan; or
 - (ii) on a pro rata gross floor area basis, if the rateable lots are created by building format plan.
 - (c) In making an apportionment under paragraph (b), land which is dedicated as a road, or dedicated or transferred to a public authority for other public purposes, or which becomes common property (whether under a standard format or building format plan) must be disregarded, and must have no apportionment applied to it, so that the total amount apportioned to the new rateable lot or lots equals the amount specified in the table above as the special charge for the lot which existed immediately prior to the reconfiguration.
 - (d) If a rateable lot to which a special charge amount has been apportioned in accordance with this paragraph is itself reconfigured into one or more rateable lots before the levy of the special charge, sub paragraphs (a), (b) and (c), and this subparagraph, must be applied, with necessary adaptations, to apportion the special charge amount for that rateable lot to the new rateable lots, and so on for any subsequent reconfiguration.
- (7) If any adjustment of a special charge which has already been levied is required under Chapter 4, Part 9, Division 2 of the Local Government Regulation 2012, as a result of reconfiguration of any of the parcels of rateable land into one or more rateable lots, the adjustment must be made on a pro rata time basis, applying paragraph (6) to calculate the amount on which the calculation for the period after reconfiguration is based.



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**CAIRNS REGIONAL COUNCIL
 BLUEWATER CANAL**

MapScale - 1:3,000

Author: RJB Date: 1/06/2011 Revision: B (Lots joined)



Plan No.1
 Sheet 1 of 1

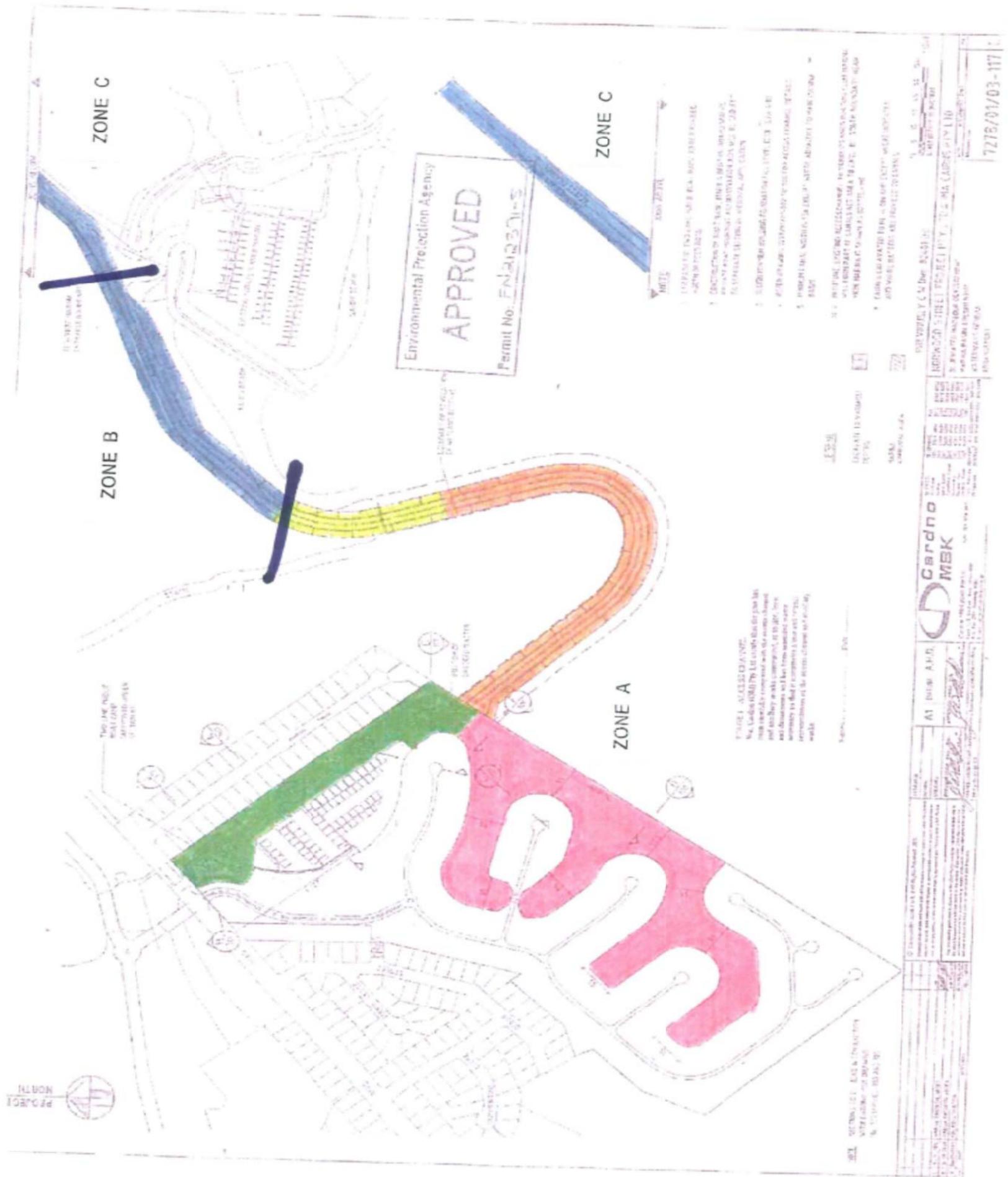


FIGURE 1 – Extent of Dredging

Attachment No. 3

#3948252

DREDGING and MAINTENANCE, BLUEWATER CANALS AND OFFSHORE CHANNEL, 2013/2014

Analysis to determine Special Charge

Background

A model was developed in 2007 to apportion dredging and maintenance costs based on the number of water frontage properties and marina berths on the canals. It has been used to determine the special charges since 2007/08. It has also been used to calculate the amount of Council's contribution to the overall cost on behalf of users of the Bluewater and Yorkeys Knob public boat ramps. It is proposed to use it again to determine the special charges for 2013/14.

To apportion the costs, the Bluewater canals and offshore channel are divided into three zones that reflect the increased benefit of deep water access for vessels moored further back in the canals.

The model proposes full recovery of costs, apart from administration costs and the contribution Council makes on behalf of users of the public boat ramps.

Consultation

The model was developed in consultation with the Bluewater Estate and Riverside Parade residents working group, Bluewater Marina and the Yorkeys Knob Boating Club. This working group was set up to advise Council on matters related to dredging and maintenance of the canal system and the allocation of costs among those who enjoy or are potentially able to enjoy the benefits of the deep water access provided by the canals and offshore channel.

The working group supported the principals incorporated in the model. It also recognised the risks for all berth owners and Council in terms of increased costs that adverse weather conditions or cyclones might bring. However the working group agreed that the model would provide an adequate basis and had the flexibility required to manage possible emergent costs in those circumstances.

Input to the Model

1. The model finalised the number of berths (units of contribution) as follows:

Zone A

Residents on the canals in Bluewater Estate (water frontage) 116 berths

Residents in Riverside Parade (water frontage) 22 berths

Berths in the Bluewater Marina 108 berths

Sub total - 246 berths

Council contribution for Bluewater boat ramp therefore equivalent to 28 berths –10% of the total

Total Zone A, 274 berths

Zone B

Mouth of Half Moon Creek out to the entrance to the Yorkeys Knob Marina

As for Zone A

Total Zone B, 274 berths

Zone C -

Bluewater Estate Residents (water frontage) 116 berths

Riverside Parade Residents (water frontage) 22 berths

Berths in the Bluewater Marina 108 berths

Berths in the Yorkeys Knob Marina 197 berths

Sub total – 443 berths

Council contribution for Bluewater and Yorkeys Knob boat ramps equivalent to 56 berths each – 112 berths equivalent to 20% of total

Total Zone C, 555 berths

2. The annual cost of dredging for 2013/14 is developed in Attachment 1. As dredging is currently in progress, the final cost for 2012/13 is estimated to the 30/06/13. To better account for the inevitable variation in costs that adverse weather conditions or cyclones will bring, the Zone estimates for 2013/14 are based on the average over the three years to 2013/14. A summary of actual expenditure and income to date and projections to 2016/17 are included in Attachment 2.

Summary – Zone Estimates for 2013/14

Zone A	\$45,141
Zone B	\$261,351
Zone C	\$338,433
Total	\$644,925

Zone A, the inner canals and Half Moon Creek section is being dredged for the first time in 2012/13. Work was in progress at the time of preparing this report. Prior to this, these sections had only needed bed levelling to maintain bed levels. A reserve was established to be used for this inner canal dredging. It was estimated that the inner canals and Half Moon Creek section would need dredging about every 6 years. \$225,000 was budgeted from the reserve for this work in 2012/13. It is estimated that at the 30/06/13, \$185,000 of this amount will have been drawn. The \$40,000 balance will be drawn in 2013/14 to complete the work. This has been taken into account in determining the charges below. The estimate for Zone A is reduced to \$45,141.

Outcomes of the Model

Annual Charges to Bluewater and Riverside Parade Residents, Bluewater and Yorkeys Knob Marinas and Cairns Regional Council

Rating Group	Zones A & B		Zone C		Total	Total / Group
	units	unit rate	units	unit rate	unit rate	
Riverside Parade (Water Frontage)	22	\$570.74	22	\$307.90	\$878.64	\$19,330.08
Bluewater Marina	108	\$1,141.48	108	\$615.80	\$1,757.28	\$189,786.24
Bluewater Estate (Water frontage)	116	\$1,141.48	116	\$615.80	\$1,757.28	\$203,844.48
Yorkeys Knob Marina		\$0.00	197	\$615.80	\$615.80	\$121,312.60
CRC for boat ramp - Bluewater	28	\$1,365.86	56	\$646.50	**	\$74,448.08
CRC for boat ramp - Yorkeys Knob		\$0.00	56	\$646.50	**	\$36,204.00

Total: \$644,925

Notes:

* 50% of unit costs are apportioned to Riverside Parade properties to reflect the lack of deep water access between their property boundaries and the canal

** Total based on units for both boat ramps
2012/13 costs based on estimates at the 30/04/13

Infrastructure Management
30 April, 2013

**ATTACHMENT 1:
MAINTENANCE DREDGING, BLUEWATER CANALS AND OFFSHORE CHANNEL
ACTUAL COSTS, ESTIMATES AND PROVISION – DREDGING AND DISPOSAL OF DREDGE SPOIL.**

	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	3 YEAR AVERAGE
ZONE A - CANALS AND CREEK							
Dredge Set-Up and Dredging	-	-	-	-	185,000	40,000	
Disposal of fine silts to Wattle St dewatering and cartage to disposal site	-	-	-	-	-	-	
Bed Levelling	20,000	-	52,500	-	8,423	10,000	
Hydrographic Surveys	-	-	-	-	-	12,000	
Administration & Project Management ¹	-	-	-	-	-	-	
Sub Total	20,000	-	52,500	-	193,423	62,000	85,141
ZONE B – MOUTH OF HALF MOON CREEK OUT TO ENTRANCE TO YORKEYS KNOB MARINA							
Dredge Set-Up and Dredging	161,000	332,983	272,313	208,880	297,573	250,000	
Maintenance of Channel Markers	12,494	1,071	-	-	-	10,000	
Hydrographic Surveys	10,000	3,199	-	-	5,600	12,000	
Administration & Project Management ¹	-	-	-	-	-	-	
Sub Total	183,494	337,253	272,313	208,880	303,173	272,000	261,351
ZONE C – OFFSHORE CHANNEL							
Dredge Set-Up and Dredging	301,969	268,973	201,709	378,575	315,234	300,000	
Maintenance Of Channel Markers	3,754	1,071	23,480	3,891	-	-	
Hydrographic Surveys (all zones)	5,000	3,199	-	-	5,600	12,000	
Administration & Project Management ¹	-	-	-	-	-	-	
Sub Total	310,723	273,243	225,189	382,466	320,834	312,000	338,433
Provision for accumulation of funds for dredging expense for Zone A ²	78,000	87,000	-	-	-	-	
TOTAL COST* (including provision)	(Actual) 592,217	(Actual) 697,496	(Actual) 550,002	(Actual) 591,346	(Est.) 817,430	(Est.) 646,000	684,925

*Figures exclude GST

1. At this stage Cairns Regional Council does not charge any Administration or Project Management costs in relation to this work.
2. This provision is required to spread the costs of work out over a number of years to avoid a spike in the special charge in years when dredging is required. It is anticipated that dredging in Zone A will be required on average every six to seven years. This assumes that there are no major weather events or unusually large silt movements during the period between dredging. The current dredging of this Zone will be completed early in the 2013/14 financial year.

**ATTACHMENT 2:
MAINTENANCE DREDGING, BLUEWATER CANALS AND OFFSHORE CHANNEL
SUMMARY OF ACTUAL EXPENDITURE AND INCOME TO DATE AND PROJECTIONS TO 2016/17**

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
	ACTUAL						ESTIMATED	PROJECTED			
ZONE A	15,000	20,000	20,000	-	52,500	-	193,423	62,000	20,000	20,000	20,000
ZONE B	342,273	2,702	183,494	337,253	272,313	208,880	303,173	272,000	260,000	260,000	260,000
ZONE C	327,273	140,201	310,723	273,243	225,189	382,466	320,834	312,000	300,000	300,000	300,000
TOTAL EXPENDITURE	684,546	162,903	514,217	610,496	550,002	591,346	817,430	646,000	580,000	580,000	580,000
Provision for Zone A dredging		78,000	78,000	87,000							
	ACTUAL						ESTIMATED	PROJECTED			
INCOME											
Rating (special charges)	495,014	518,840	414,100	436,680	481,339	475,996	465,024	534,321	501,500	501,500	501,500
Council (Public Boat Ramps)	54,986	93,160	74,748	78,824	86,519	89,933	91,531	110,604	88,500	88,500	88,500
TOTAL INCOME	550,000	612,000	488,848	515,504	567,858	565,929	556,555	644,925	590,000	590,000	590,000
	ACTUAL						ESTIMATED	PROJECTED			
BALANCE IN RESERVE AT YEAR END	0	528,360	502,991	407,999	425,855	400,438	139,563	138,487	148,487	158,487	168,487

Notes:

1. Until 2006/07, the special charge met Council's commitment to a 3 year maintenance dredging contract between Council and Developer, Cairns Blue Pty Ltd and Norwood Street Project Pty Ltd.
2. Estimated expenditure for 2013/14 is based on a three year average to 2013/14 less \$40,000 remaining from the 2012/13 budget. Projected expenditure is based on current trends in maintenance requirements.
3. Council makes an annual contribution on behalf of users of the two public boat ramps of about 17% of income.
4. Figures based on 2012/13 dollar values.
5. Figures exclude GST.