

## 10.2 Acceptance of Fixing Local Roads Round 2 funding for Lower Piambong Road, Botobolar Road and Coxs Creek Road seal extensions

REPORT BY THE MANAGER WORKS  
TO 19 MAY 2021 ORDINARY MEETING  
GOV400088, GRA600015

### RECOMMENDATION

#### That Council:

1. **receive the report by the Manager Works on the Acceptance of Fixing Local Roads Round 2 funding for Lower Piambong Road, Botobolar Road and Coxs Creek Road seal extensions;**
2. **accept \$4,855,200 in grant funding from the Fixing Local Roads program for seal extensions;**
3. **amend the 2021/22 Budget and Delivery Program as follows:**
  - 3.1 **allocate a budget of \$1,360,000 for the sealing of 4.0km of Coxs Creek Rd funded by \$1,156,000 from grant income and \$204,000 from the Rural Sealed Road Rehab & Widening budget allocation;**
  - 3.2 **allocate a budget of \$1,020,000 for the sealing of 3.0km of Botobolar Rd funded by \$867,000 from grant income and \$153,000 from Rural Sealed Road Rehab & Widening budget allocation;**
  - 3.3 **allocate a budget of \$680,000 for the sealing of 2.0km of Lower Piambong Rd funded by \$578,000 from grant income and \$102,000 from the Rural Sealed Road Rehab & Widening budget allocation;**
4. **amend the 2022/23 Budget and Delivery Program as follows:**
  - 4.1 **allocate a budget of \$1,700,000 for the sealing of 5.0km of Coxs Creek Rd funded by \$1,445,000 from grant income and \$255,000 from the Seal Extension Program budget allocation (Seal Extension Reserve);**
  - 4.2 **allocate a budget of \$952,000 for the sealing of 2.8km of Botobolar Rd funded by \$809,200 from grant income and \$142,800 from the Seal Extension Program budget allocation (Seal Extension Reserve); and**
5. **authorise the General Manager to finalise and sign the funding agreement with Transport for NSW.**

### Executive summary

In December 2020, Council applied for grant funding through the Fixing Local Roads Program Round 2, to seal unsealed main local road bus routes. Council received notification of one of the applications being successful. The purpose of this report is to authorise the General Manager to accept funding and sign the funding agreement and other relevant documentation.

## Disclosure of Interest

Nil

## Detailed report

Currently, there is approximately 90kms of main local road in the Mid-Western Regional Council area that are school bus routes and are unsealed. These roads require frequent maintenance grading given the relatively high traffic volumes, school bus use and heavy vehicles generally. These roads are on a 12-month grading schedule, however sometimes require grading more frequently.

Council applied for funding to seal the higher volume main local road bus routes and was successful in one of the applications that included sealing of 9kms of Coxs Creek Rd, 5.8kms of Botobolar Rd and 2kms of Lower Piambong Rd, resulting in a total of 16.8km of existing unsealed main local road bus routes being sealed.

The application required Council to fund 15% of the total project cost, with the remainder being from the NSW Government. It is recommended, that Council accept the grant funding and authorise the General Manager to sign the funding agreement with Transport for NSW.

## Community Plan implications

Theme	Connecting Our Region
Goal	High quality road network that is safe and efficient
Strategy	Provide a roads network that balances asset conditions with available resources and community needs

## Strategic implications

### Council Strategies

Roads Asset Management Plan

### Council Policies

Not applicable

### Legislation

Roads Act 1993

## Financial implications

The funding arrangement is 85% grant to 15% Council funding. A budget allocation has been recommended for both 21/22 and 22/23.

An upgrade in infrastructure increases the renewal burden for future years, therefore negatively impacting Building and Infrastructure Renewal Ratio. It also increases depreciation and maintenance in future years which will have a negative impact on future years Operating Performance Ratio.

The increase in grant funding received is good for the community by providing important infrastructure upgrades, however it will have a negative impact on the current years Own Source

Revenue ratios, and the future Operating Performance Ratio (increased depreciation) and Building & Infrastructure Renewal Ratio. Extending the sealed road network provides an increase to Councils levels of service, which results in the negative impact to ongoing financial ratios.

<b>Budget Year</b>	<b>Operating Performance Ratio</b>	<b>Own Source Revenue</b>	<b>Building &amp; Infrastructure Renewal</b>
<b>2021/22</b>	-	X	-
<b>Future Years</b>	X	X	X

### Associated Risks

Council staff will manage the construction risks associated with the projects.

ANDREW KEARINS  
MANAGER WORKS

GARRY HEMSWORTH  
DIRECTOR OPERATIONS

10 May 2021

*Attachments:* Nil

APPROVED FOR SUBMISSION:

BRAD CAM  
GENERAL MANAGER