

## BMX Project - Financial Summary of Costs

<b>Originating Officer</b>	Project Manager Strategic Projects - Carla Zub
<b>Corporate Manager</b>	Manager City Activation - Greg Salmon
<b>General Manager</b>	General Manager City Development - Abby Dickson
<b>Report Reference</b>	GC190129F03

### Confidential



### Confidential Motion

That pursuant to Sections 90(2) 3(b ) (i) and (ii) of the *Local Government Act 1999*, the Council orders that all persons present, with the exception of the following persons: Adrian Skull, Abby Dickson, Tony Lines, Vincent Mifsud, Kate McKenzie, Greg Salmon, Carla Zub, Craig Clarke and Victoria Moritz, be excluded from the meeting as the Council receives and considers information relating to the report **BMX Project - Financial Summary of Costs**, upon the basis that the Council is satisfied that the requirement for the meeting to be conducted in a place open to the public has been outweighed by the need to keep consideration of the matter confidential on the grounds that the report contains information the disclosure of which would could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and (ii)would, on balance, be contrary to the public interest.

### REPORT OBJECTIVE

To provide Council with the estimated financial costs for the delivery of the Sam Willoughby International BMX Track.

### EXECUTIVE SUMMARY

The purpose of this report is to provide supporting confidential financial information regarding the Sam Willoughby International BMX track project (refer Appendix 1). This report is to be read in conjunction with the report *BMX - Alternative Site Options for the delivery of the Sam Willoughby BMX Facility* (GC190129).

### RECOMMENDATION

That Council:

1. Notes the report.
2. In accordance with Section 91(7) and (9) of the *Local Government Act 1999* the Council orders that this report, *BMX Project – Financial Summary of Costs* and associated appendices arising from this report having been considered in confidence under Sections 90 (2) 3(b ) (i) and (ii) of the Act, except when required to effect or comply with Council's resolution(s) regarding this matter, be kept confidential and not available for public inspection for a period of 12 months from the date of this meeting. This confidentiality order will be reviewed at the General Council Meeting in December 2019.

**Attachment**

#	Attachment	Type
1	BMX Project - Financial Summary of Costs	PDF File

## BUDGET SUMMARY

As publicly announced, the project funding includes \$2,000,000, State Government through the Office of Recreation, Sport and Racing (ORSR), \$750,000 from the City of Onkaparinga and \$750,000 from the City of Marion creating a project funding pool of \$3,500,000. The State Government has since committed a further \$1,300,000 to the development of the Sam Willoughby BMX Track bringing the total project budget to \$4,800,000. The additional funding will be transferred to the City of Marion as part of the State Government's 2018-19 State Budget mid-year review and is conditional on the track being delivered on State Government owned land.

## COST ESTIMATES FOR THE DELIVERY OF THE BMX FACILITY

COST COMPARISON OF SITES		
	Majors Road Site	Southern Sports Facility
UCI Track	\$ 1,284,180	\$ 1,369,240
Preparation of earthworks	\$ 1,243,284	\$ 500,000
Start Ramp (unenclosed underneath)	\$ 892,000	\$ 842,200
100 Lux Track Lighting	\$ 152,200	\$ 157,200
Pump Track	Excl	Excl
Carpark	\$ 487,796	\$ 200,000
Clubhouse - Designed to budget	\$ 235,500	\$ 375,000
Public Facilities	Excl	Excl
Site Infrastructure	\$ 596,974	\$ 533,530
<b>Margins &amp; Adjustments</b>		
Allowance for Construction Contingency - 10%	\$ 487,715	\$ 400,000
Allowance for Professional Fees - 8%	\$ 430,000	\$ 450,000
Allowance for Indigenous monitoring & reporting	Excl	Excl
<b>Subtotal Excluding Intersection Works</b>	<b>\$ 5,816,849</b>	<b>\$ 4,827,170</b>
<b>Budget Shortfall (Budget \$4.8 million)</b>	<b>-\$ 1,016,849</b>	<b>-\$ 27,170</b>
<b>Budget Shortfall incl Intersection Works (Budget \$4.8 million)</b>	<b>-\$ 2,216,849</b>	<b>-\$ 27,170</b>

## SUMMARY OF OPERATING EXPENDITURE

Summarised below is the forecasted annual costs for the site, which have been developed with Dirtz and are based on similar interstate tracks:

	UCI Track
<b>SUB TOTAL EXCLUDING MAJOR INTERSECTION</b>	<b>5,816,849</b>
Operations p.a	23,200
Maintenance p.a	21,096
Depreciation/ renewal p.a	175,916
<b>Annualised Cost</b>	<b>220,212</b>

The table below provides operating and management costs for Cove Sports and Community Club BMX Facility and other council sporting facilities.

Full Year Budget 2017-18				
	Income	O&M	Depreciation	Total O&M + Depreciation net of Income
Cove Sports	(20,523)	<b>69,784</b>	<b>77,601</b>	126,862
<i>Includes BMX specified of</i>	<i>(431)</i>	<b>431</b>	<b>714</b>	714
Mitchell Park Sports	(13,408)	<b>36,079</b>	<b>90,649</b>	113,320
Marion Sports	(25,853)	<b>91,872</b>	<b>370,944</b>	436,963
Morphettville Park Sports	(4,814)	<b>21,718</b>	<b>40,778</b>	57,682
Edwardstown Oval	(32,970)	<b>49,670</b>	<b>124,676</b>	141,376
Total	<b>(97,999)</b>	<b>269,554</b>	<b>705,362</b>	<b>876,917</b>