

Litchfield Municipality Value and Upgrade Requirements

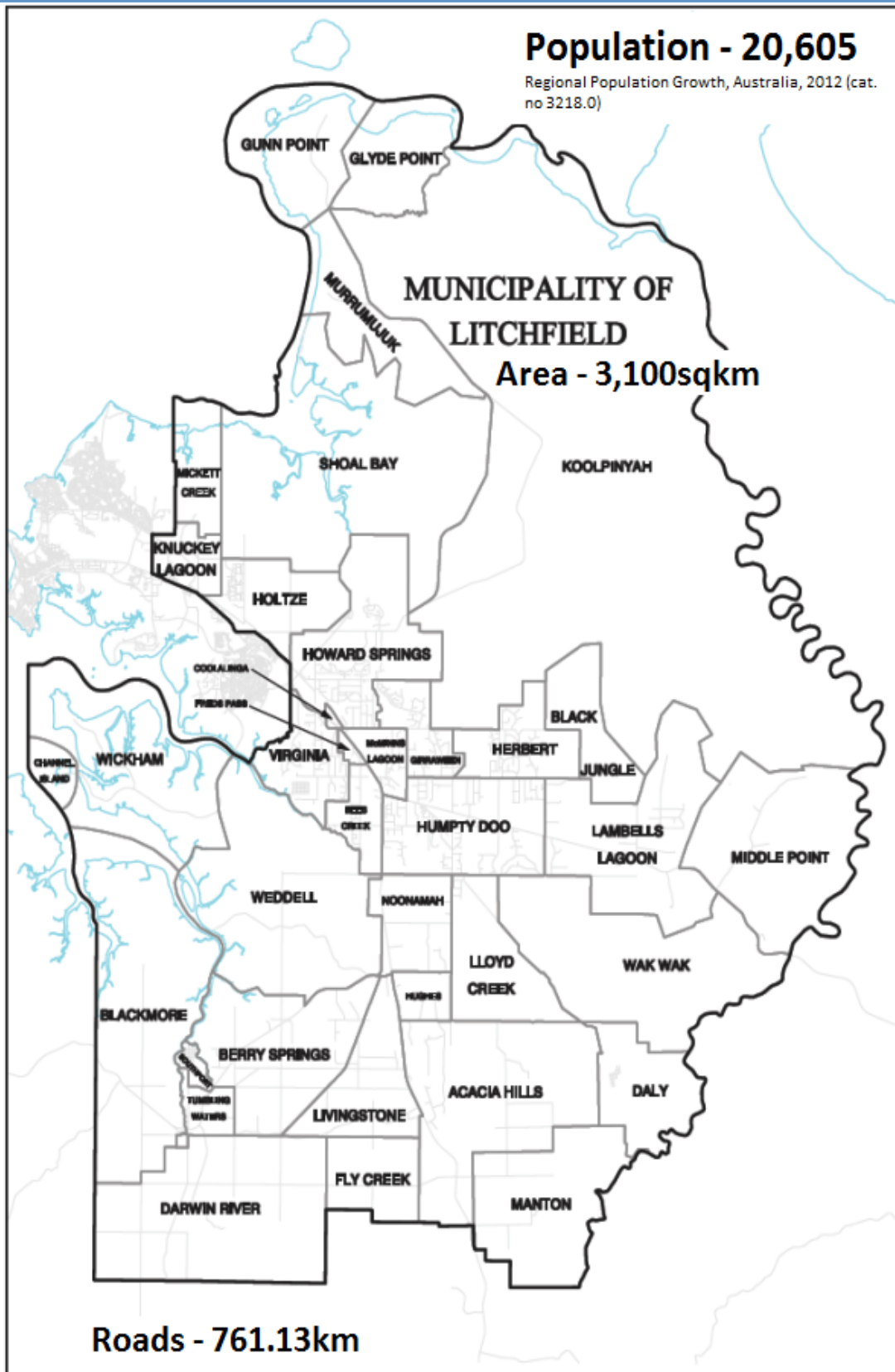


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Executive Summary:

Litchfield Municipality plays a vital role in the Northern Territory. The growth rate for businesses since 1999 is 11.3% (ABR, 2014) and the annual average population growth has been 2.5% since 2001 (ABS, 2014). Over twenty thousand residents have chosen Litchfield Municipality as their life-time home, hence Litchfield Council has made a considerable contribution to both The Northern Territory (NT) job market and Gross State Production (GSP).

Historically, roads built within the Municipality have been developed in accordance with minimum standards for residential access only.

Considering the exponential growth of the industrial sector exacerbated by projects such as Ichthys, the new Correctional Facility, the AACo Abattoir, proposed hospital and Robertson Barracks, The infrastructure of Litchfield Municipality has been greatly affected. Council therefore requires additional financial support to upgrade its infrastructure to an appropriate level of service.

Recently, the Planning Commission released the Darwin Regional Land Use Plan 2014 to establish a policy framework for future developments. This report indicates required upgrades to meet the purpose of the "Darwin Regional Land Use Plan".

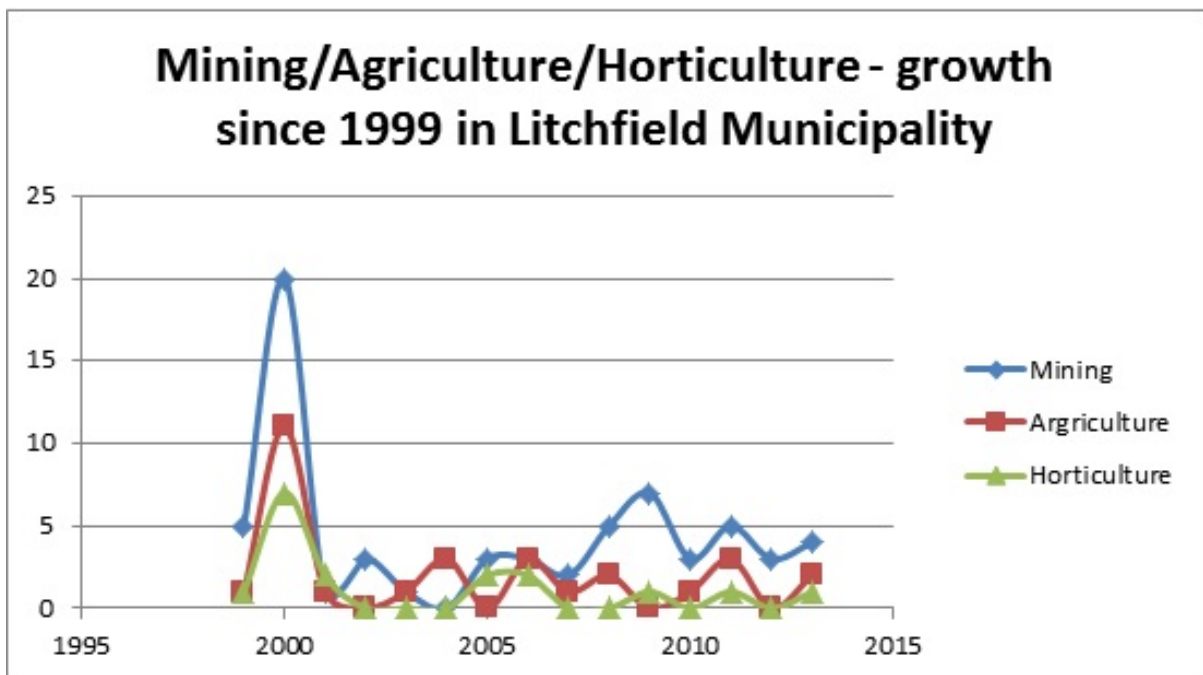
In order to undertake long outstanding works and to cater for future development of Litchfield Council requires some 5% of its own GDP from the northern territory government over a period of the next 5 years. Over the past years, despite sound governance by Litchfield Council the NT Government has neglected to assist Litchfield Council in future development needs and funding.

Objective:

In order to achieve the “Darwin Regional Land Use Plan” and to ensure the Litchfield Municipality maintains its contribution to NT economy, Litchfield Council seeks additional funding from both the Federal / NT Governments budget to comply with Council’s current roads upgrade plan.

Businesses Distribution and Evaluation

The following chart indicates the historical data of Businesses growth within the Litchfield Municipality region since 1999.



Mining

The mining industry and mining related industries grew steadily from 2000 at an average growth rate of 4% annually. A map of Mining tenements is shown in Appendix 1.

Horticulture & Agriculture

The Horticulture and Agriculture industries continuously contributes to the Litchfield Municipality and thus the total NT economic system. For instance, the crocodile farm is producing approximately \$25 million worth of product annually. Additionally, the following are key activities within the municipality: Mangos, valued \$30-35 million; Asian Vegetables \$30-40 million; Melons \$10 million and Nurseries \$10-15 million.

The booming growth of horticulture and agriculture industries commenced in 2000 and continued to grow with an average growth rate of 1.5% until 2013.

Total of \$125 million dollars contributed towards the Northern Territory economy

Other industries in the Litchfield Council area contributing to the Northern Territory economy are as follows.

The two gas plants	\$\$\$\$\$
AAO-abattoirs up to \$25,000,000.00 in wages alone and \$160,000,000.00 of beef =	\$185,000,000.00
Hampton's cattle staging post	\$\$\$\$\$\$
Aquaculture	= \$7,000,000.00
Tourists,	\$\$\$\$\$
The jumping crocs at Adelaide River	\$\$\$\$\$
Sands, gravels and quarry rock	= \$90,000,000.00
1767 businesses @ \$50,000.00 each =	\$88,350,000.00
Others, I know there are out there	\$\$\$\$\$\$

We could not find the dollar value of what this list contributes, but it's a lot.

To pay for all this we only have 7300 rateable blocks in the municipality, You cannot expect this small rate base to keep up the with repairs and maintenance let alone new works that are required throughout the municipality, It needs capital injection from its GDP to go forward.

I would like to see you return 5% of GDP over the next five years back into Litchfield Council area so it can continue to supply the Northern Territory economy with great outcomes.

Yours truly, Mayor. Allan Mckay

Road upgrading progress

Urgent upgrading required

- Finn Road - \$5,148,000
Finn Road was originally constructed for domestic use for rural residents. However, the Ichthys Project produced a considerable amount of heavy industrial vehicles in the area through Finn Road. Consequently, the 10 tonne limit is no longer sufficient for the current traffic load. The upgrade cost is \$5,148,000.
- Thorngate Road - \$3,417,000.
Thorngate Road was originally built to service Robertson Barracks in transporting their military vehicles. Due to the increase in road trains and other heavy vehicles using the adjacent quarries over the last 18 months, Thorngate Road is now unable to cater for the amount of traffic load experience. The estimated upgrade cost is \$3,417,000.

Future Road Upgrading List In Compliance With The Darwin Regional Land Use Plan

- Elizabeth Valley Road - \$3,100,000.
According to the Darwin Regional Land Use Plan, a large section of land in the WakWak will source a large extractive resource industry. Consequently, an increase in heavy vehicle usage will be expected on Elizabeth Valley Road as it is the key road connecting Redcliffe Road to the Stuart Highway. Currently, there is a 10 tonne limit on the Elizabeth Valley Road and Council aims to remove this load limit in order to enable use by heavy vehicles. The estimated upgrading cost will be \$3,100,000.
- Hopewell Road - \$3,800,000.
Within the Darwin Regional Land Use Plan, Horticulture Industry is proposed for the Darwin River area between Kentish Road and Leonino Road. Should this industry proceed, the original design on Hopewell Road, Old Bynoe Road and Leonino Roads will no longer be appropriate for the future traffic conditions. The estimated upgrading cost for Hopewell Road is \$3,800,000.
- Old Bynoe Road - \$9,420,000.
Refer to Hopewell Road
- Leonino Road - \$11,130,000.
Refer to Hopewell Road
- Chibnall Road - \$4,190,000.
The section of road from Leonino Road to Stuart Highway is gravelled and unmaintained. In order to provide a better access from Leonino Road to the Highway, Council recommends upgrading Chibnall Road. Thus, it will provide access for both local residents and industry vehicles. The estimated cost is \$4,190,000.

Intersections to Be Upgraded

- Freds Pass Road/Redcliffe Road - \$900,000.
- Anglesey Road/Girraween Road - \$950,000.
- Spencely Road / Strangways Road – \$ 1,200,000.

The design of the above intersections are inappropriate according with the current traffic conditions.

Upgrading of Public Facility Buildings

Public Facility Buildings in the Litchfield Municipality will also require upgrading to comply with the current Australian Standards. Litchfield public facility building areas total 20,877 m². The whole upgrading process estimated cost is \$16,700,000.

Summary

Litchfield Council has a significant interest in further development within the Municipality and is committed to improving the quality of life of Litchfield residents. In order to achieve this goal, Litchfield Council urgently needs more support from both the Federal and Northern Territory Governments. Over the last five years, Litchfield Council has received road related grants totalling \$11.3 million.

In general, \$8.6 million will be spent on the roads which require an urgent upgrade and \$37.9 million.

Three intersections will also require urgent repairs costing some \$3.1 million. Litchfield Public Facility buildings will also require upgrading in order to meet the current Australian Standards with an estimated cost of \$16.7 million.

Projects	Estimate
Urgent Road recovery	\$8,565,000.
Future road Upgrading	\$31,640,000.
Intersection Upgrading	\$3,050,000.
Public Building upgrading	\$16,700,000.
R&M to reach an appropriate service level	\$2,000,000.
Total	\$61,955,000.

In addition to the R&M works mentioned in the above table, Council is destined to spend \$2.8 million per annum in maintaining its road infrastructure.

