

# Busselton Jetty Information Sheet



*There are often references made to the Busselton Jetty, from its restoration to funding options, to operational/maintenance costs to tourism potential, when discussing the Esperance Tanker Jetty. The Busselton Jetty Information sheet provides summarised detail as to how the jetty is currently operated, what involvement the City of Busselton has and what the maintenance requirements are for the jetty looking towards the future.*

## **How much did it cost to fix the Busselton Jetty and who paid for it?**

The Busselton Jetty was reconstructed from new materials at a total cost of approximately \$27.1m over 4 years beginning in 2009. Of this, \$24m was from the State Government Royalties for Regions fund, \$1m from the community through the Busselton Jetty Environment Conservation Association and \$2.1m contributed by the City.

## **Were there any conditions tied to the State Funding Contribution?**

As part of the \$24m State funding agreement, the City of Busselton was required to develop a detailed 50 year Jetty Maintenance Plan (asset plan) and establish a reserve account to pay for ongoing maintenance and capital replacement costs associated with the Jetty. This is to ensure that all future works are funded without reliance on the State Government.

At the time of the agreement it was determined that \$1.2m per year (annually indexed in line with CPI) would be required each year for the next 50 years in order to meet the annual operating and capital works costs to maintain the Jetty in its current condition. The 2017/18 contribution to the Reserve is \$1.3m. The City then draws back on this Reserve fund as needed to ensure that the Jetty is maintained for future generations.

## **Who manages the Busselton Jetty?**

The Busselton Jetty, which includes the Busselton Jetty Train, Busselton Jetty Under Water Observatory and Interpretive Centre is operated under license by a local community group called Busselton Jetty Inc. that until recently was known as Busselton Jetty Environment and Conservation Association (BJECA). This group collects all revenue generated from the Jetty as a tourist attraction and then pays the City of Busselton an agreed Annual License Fee of approximately \$800,000 indexed annually. This money goes directly into the Jetty Maintenance Reserve.

Busselton Jetty Inc. keeps whatever they make over and above the \$800,000 payment to City to cover their operations. They are required to reinvest any profits back into the Jetty in capital works improvements or making better attractions. They have a very large volunteer base of community members who assist with Jetty hosting etc.

## **How is the Jetty Maintenance Reserve account funded?**

To accommodate the requirements of the 50 year Jetty Maintenance Plan, other sources of revenue contribute to the Jetty Reserve. Income from current commercial leases on the Busselton Foreshore totalling approximately \$200,000 per annum and interest earnings from the money held in reserve are also added.

The City then currently provides an annual top up of \$300,000 from general rate revenue. As and when new commercial developments are constructed at the Busselton Foreshore, income from these leases will be directed to the Jetty Maintenance reserve.

The goal is for additional lease income derived for future commercial leases to alleviate a need for the current extra contribution from the City's general rate revenue and to have the Jetty be self-funded into the future.

## **How much does it cost to maintain the Jetty?**

On average the City spends approx. \$300,000 to \$400,000 per annum on general maintenance and labour with the expenses being drawn back from the Reserve Account annually. Capital works costs can fluctuate from year to year. The balance of monies are retained within the Reserve Account which is building year to year to meet the anticipated spikes in major capital works as the different sections or top of deck infrastructure of the Jetty come due for restoration or replacement in the future.

## **How Does the Busselton Jetty Make Money?**

The Busselton Jetty Inc. provides activities that visitors are charged to cover operational and maintenance costs:

- Jetty Train - \$13.50 adult & \$6.50 child
- Jetty Access (walking) - \$4 each
- Underwater Observatory - \$34 adult & \$16.50 child
- Underwater Dining is available over summer & costs vary

## **Where did the Shire get this information?**

The information in this fact sheet has been collated through information published on the City of Busselton website, the Busselton Jetty website and through conversations with representatives of both organisations.

Shire staff have been in contact with the City of Busselton for many years due to the similarities of the jetty infrastructure. Additionally, discussions with representatives from the Busselton Jetty Inc. provided information regarding operational management, maintenance and volunteer requirements. Further information on tourism numbers and income earned is available on the Busselton Jetty website.