



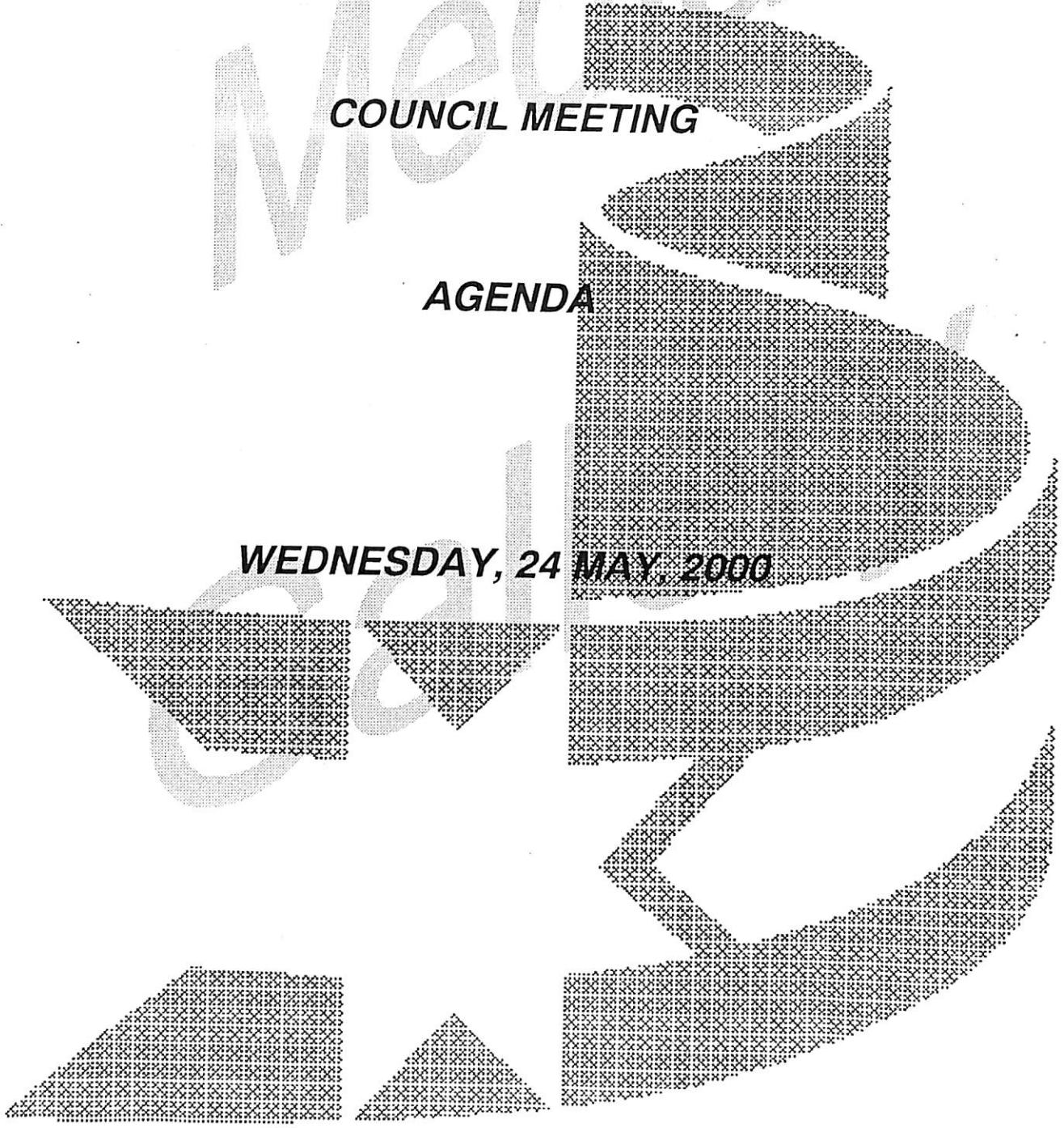
CITY OF
BALLARAT

Media

COUNCIL MEETING

AGENDA

WEDNESDAY, 24 MAY, 2000



NOTICE IS HEREBY GIVEN THAT A MEETING OF THE
BALLARAT CITY COUNCIL
WILL BE HELD IN THE COUNCIL CHAMBER,
TOWN HALL, STURT STREET, BALLARAT ON
WEDNESDAY, 24 MAY, 2000 AT 7:00 P.M.

John McLean
Chief Executive Officer

AGENDA

AFFIRMATION

"We, the Councillors of the Ballarat City Council, do solemnly sincerely and truly declare and affirm that we will endeavour to carry out all our duties in the best interests of the people of the Municipal District".

ORDER OF BUSINESS:

WELCOME BY CHAIRPERSON

PRESENT

APOLOGIES

CONFIRMATION OF MINUTES

PECUNIARY INTEREST DECLARATIONS

QUESTION TIME

PUBLIC SUBMISSIONS

PETITIONS

COUNCILLOR / DELEGATES' REPORTS

Starring of Items

PLANNING AND RELATED REPORTS

COMMITTEE REPORTS

OFFICERS' REPORTS

ORDERS OF THE DAY

MOTIONS ON NOTICE

GENERAL BUSINESS

SECTION 89

C169/00. TRAM STUDY**SUMMARY**

The Ballarat Tourism Board (BTB) received the final version of the G D Harrison 'Ballarat Tourist Tram Study' on 29 March 2000 and it was discussed at the BTB meeting on 19 April 2000. Findings and recommendations are included in this report, as well as a summary of the former BTB Chairman Peter Hiscock's presentation to the BTB Meeting. It should be noted that during recent discussions with Council representatives and Peter Keage (General Manager – Infrastructure, Tourism Victoria) and his staff, agreed changes to the suggested Harrison route are indicated on the inserted map with the report.

BACKGROUND

There are 2 main studies in relation to the partial reinstatement of Ballarat trams. The first, and most comprehensive, study was conducted by Maunsell in 1997/98, with the assistance of a Federal Government Grant. The report of the study suggested 4 stages, starting with the reinstatement of the tram in Sturt Street, running through the Mall to Sovereign Hill and finally to City Oval (Pleasant Street) and the Gardens at a cost of \$6.6 million. It included the purchase of tracks, electrical cables and poles. This study showed no return on capital but a small operating profit.

Tourism Victoria funded a second study undertaken by G D Harrison Project Management to further investigate likely operating costs and potential ticketing revenues. This study showed that the trams could be run profitably, although final returns would still not be sufficient to service the capital cost of their reintroduction.

The BTB invited its former Chairman, Peter Hiscock, as a strong advocate for the reintroduction of trams, to address its meeting on 19 April 2000. Mr Hiscock explained the history of the project and gave reasons for his support. A copy of his presentation is attached.

ISSUES

In considering the two reports and the comments by Mr Hiscock, the BTB resolved to support in principle the reintroduction of trams at Ballarat as a desirable tourist attraction. However a number of issues were raised.

These included the following:

- What is the community's view? There has been no further consultation or follow-up with the community since the public meeting convened 4 years ago by Mr Hiscock.
- The potential economic benefits for the city have not been clearly established.
- Given a need to move visitors easily between Ballarat's tourist attractions, what is the comparative viability of introducing a local tourist bus service? Given their greater flexibility, would it be better to use buses more extensively rather than reintroducing trams?
- What is the opportunity cost of reintroducing trams? Would the same level of investment have a greater economic impact if directed at other projects, such as a purpose-built convention centre?

The BTB adopted the following four-part resolution:

1. The Ballarat Tourism Board supports the concept as a tourist attraction.
2. Are the suggested costings accurate and is it the best way to spend the money, particularly with capital works priorities?
3. Additional community consultation is needed.
4. Transport modes need flexibility to be able to cater for future growth.

RELEVANT POLICIES

Not applicable.

OPTIONS

1. Council receives the report.
2. Council receives the report and asks the BTB to continue to investigate the feasibility of the Tram Project

FINANCIAL IMPLICATIONS

See the attached report (G D Harrison Study).

ATTACHMENTS

C169/00.1. G D Harrison Study.

C169/00.2. Notes from Peter Hiscock's presentation to BTB, April 19 2000.

(A copy of the Maunsell Study will be made available in the Councillors' Lounge)

RECOMMENDATION

That Council receives the report and asks the Ballarat Tourism Board to continue to investigate the feasibility of the Tram Project.

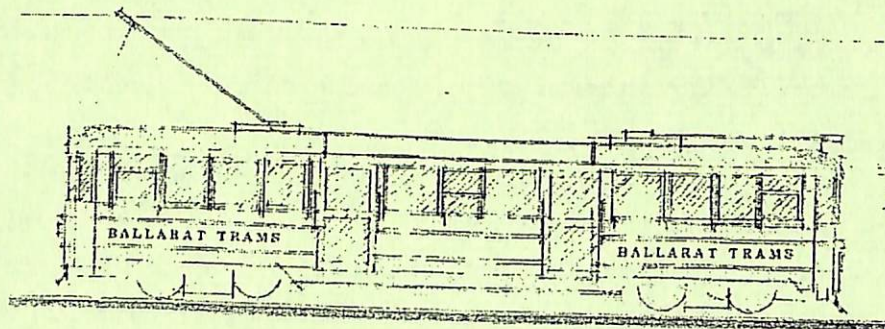
BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

Attachment C 169 60.1
Council Meeting 24/5/2000

BALLARAT TOURIST TRAM STUDY

FINAL REPORT
August 1999



BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

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BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

EXECUTIVE SUMMARY

The feasibility of the proposed Ballarat Tourist Tram system for Stage 1 from Ballarat Train Station to Sovereign Hill via the Mall precinct and Main Road, relies heavily on the following considerations :-

- * The initial funding being secured to the amount of \$ 3.2 million
- * The depot site at the car park in Steinfeld Street (or equivalent) being secured for the designated sum.
- * The rolling stock being secured from the State Government for the allocated sum.
- * The staff being employed with proper management for the allocated sums.

Each of the above is critical to the success of the initial start up of the service - if these are not fulfilled the project is not viable

Most of the other factors can be negotiated around with more or less being done in each specified period of development.

The question of on-going use is also critical and the cashflow analyses show that the end profit line is particularly sensitive to percentage increases or decreases in the user numbers.

User numbers	End profit after 5 years
As predicted	\$ 144,877 profit for that year
5% less than predicted	\$ 105,733 profit for that year
10% less than predicted	\$ 66,589 profit for that year
20% less than predicted	\$ 11,698 loss for that year

Whilst this is relevant, it is believed that the community benefits brought by the tram will far outweigh the costs to the community which are, if the figures in this report are fulfilled, zero economically.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

THE PRODUCT

The product to be evaluated in this report was the feasibility of a Ballarat Tourist Tram system but it is suggested that such a product should not be evaluated in isolation, but with those peripheral products that will make it most successful.

To that end the following possibilities should be considered.

- * It is suggested that the tram should go through the centre of Camp Street adding a major icon to the Precinct from its inception as well as providing a transport link between the city's two major tourist centres.

The tram will add an extra dimension to the precinct and tie together the area as a "special" place.

- * It is suggested that serious consideration be given to the procurement of the S&F Motor's car yard across from the northern end of Camp street to be the end depot and modal interchange between the tram and train station.

This could, with proper development, become a new major focus of entertainment and recreation for the City of Ballarat, where "sprinter" train services from Melbourne could deposit tourists into an "al fresco" eating (gas heating stacks in winter), entertainment environment, where tourists could get straight onto the tram and be taken through Camp Street, down Sturt Street, around Curtis street (or through the center of the Mall?) down Peel Street and Main Street to Sovereign Hill, the Gold Museum, hotels and motels.

Since it is the aim of the new train operators to increase the numbers of tourists travelling to Ballarat, the time seems right to develop such a catchment area for their reception and the further economic growth of the city.

This would also promote the tourist package from Melbourne and other cities, with tourists knowing that they could park at their local station, take a train to Ballarat and then interlinking tram from the Ballarat Station Precinct, spend time in the historic Camp Street and then continue by tram to Sovereign Hill and Gold Museum, with the return being equally easy in terms of transport and comfort.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

THE PRODUCT (cont.)

This could become a major supplier of tourists to the Ballarat area, creating a plethora of growth potentials for smaller businesses along the route, each furthering the attraction of the next.

The tram should be given "icon" status and be seen through marketing and advertising as the LINK through Ballarat's major tourist sites.

Whilst it is acknowledged that there are many other tourist attractions in Ballarat not connected to the first stage of this report's tram system, the marketing of "Ballarat Station Precinct / Camp Street Precinct/Sovereign Hill/ Gold Museum" would create a very powerful package in the marketplace, providing that "critical mass" of attractions required to lift the status quo of current tourist visitations to a new level.

The success of stage 1, would hopefully lead to the development of subsequent stages linking Lake Wendouree and the Botanical Gardens into the system soon after.

The success of the Tourist Tram system will rely on tourist usage both during the day by visitors to Ballarat as well as Ballarat residents using it for recreational tourism at nights and weekends as well as shopping commuting.

There is great potential for using the tramway after normal business hours as a service, which links entertainment venues in Ballarat.

Provision of suitable parking adjacent to the depot and terminals will give patrons the opportunity to park conveniently prior to boarding the tram for a cocktail party as the first event in an evening of entertainment.

While enjoying cocktails on board, passengers could be taken to a number of venues at which to continue the evening's entertainment with on-board entertainment such as jazz combos, singers, magicians etc. Existing venues along the prospective tram route include Lillian's Restaurant, the Red Lion Hotel, the Golden Point Tabaret and Rustic Reflections Restaurant, all of which may consider taking part in such a scheme. For ease of packaging, patrons should be able to pre-pay their booking which would include the tram trip, cocktails and dinner.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

THE PRODUCT (cont.)

Theatre restaurant at Sovereign Hill's Victoria Theatre, and the entertainment complex at the Old Ballarat Village are also obvious choices as destinations for an evening tram.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

MARKET ANALYSIS

The most important fact governing the feasibility of the Ballarat Tourist Tram proposal is whether there is a market for the product.

The perceived market users fall into several categories:-

a) **Tourists visiting Ballarat.**

These may be coming from surrounding towns and cities, interstate or international destinations.

It is to be assumed that they have no knowledge of the Ballarat area and environs and are most interested in Sovereign Hill as a basic assumption.

They will require transport around the city if the marketing proves successful of more than Sovereign Hill being of interest, and may choose to take the tourist tram rather than try to negotiate unknown areas in whichever mode of transport brought them to Ballarat.

In some cases (train, chartered bus) they may not have the option of moving about Ballarat in their mode of arrival but still choose to do so - this will depend heavily on the marketing program's success in convincing this market that there is much to see in Ballarat as well as Sovereign Hill.

The suggested "product" may do just this (see "Product " section)

b) **Tourist within Ballarat**

This market segment consists of residents of Ballarat and environs who know the area and have local transport but who see the product as something desirable to experience.

Whilst the number represented in this category is proportionately smaller, it will have a higher repetition of visits if the tram is suitable and creatively used to promote a wide range of activities (see "The Product" section)

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

MARKET ANALYSIS (cont.)

c) Ballarat commuters and shoppers

This sector of the market is difficult to evaluate in terms of potential use, as most will prefer to park cars close to their chosen retail outlets, but as the parking gets tighter and transport more adequate via such services as this, they may become accustomed to parking remotely from the retail sector, commuting via the tram and enjoying some relaxation and recreation as part of the ticket, e.g. continuing on to the Station Precinct for a meal or coffee, stopping for lunch at one of the venues serviced by the tram, visiting one of the attractions which already exist along the route or a new one (creative businesses will take advantage of the tram route to develop along).

d) Special charters and tours

The tram has enormous potential to provide special tours outside of normal business hours for special interest groups, restaurant tours, cocktail parties, theatre tours etc.

Such tours have been the major economic factor ensuring the success of Bendigo and Christchurch's tram facility, providing major income sources.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

MARKETING PLAN SUGGESTIONS

The construction of a tourist tramway in Ballarat must be regarded as an addition to the city's existing tourist infrastructure as well as an attraction in its own right.

Ballarat's largest market comes from metropolitan Melbourne, where Ballarat is perceived as a complete package and an ideal destination for a day trip or short break. It is therefore unlikely that a single entity such as a tramway will increase visitor numbers to the city on its own, however with strategic promotion the new facility will enhance an already attractive product.

It should be noted that residents of a city, which has its own extensive tramway system, might not find the re-introduction of trams to Ballarat particularly appealing. There would, however, be promotional value in having character "connies" on Ballarat trams as well as the trams being decorated to reflect the Heritage values of the Ballarat experience.

The furore which erupted in Melbourne when automatic ticket machines were installed in the city's trams provides an excellent platform from which to promote a fully serviced tram system, and any advertising or public relations campaign could concentrate on this aspect of the project.

The Ballarat Tourist Tram should be advertised with "icon" status taking major predominance in any marketing documents and even logo inclusion in Ballarat Marketing representing the "ease of linking" between different attractions within Ballarat for the external visitors, which has always been perceived as difficult due to the street routes developed over 150 years.

Promotion of the tramway should be strongly directed at visitors before, as well as after, they have arrived in the city. To achieve maximum awareness it is essential to have comprehensive circulation of a quality glossy brochure, billboard advertising at strategic points throughout the city and highly visible signage. A metropolitan advertising campaign should also be implemented, along with a public relations launch designed to coincide with the introduction of the tram service.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

MARKETING PLAN SUGGESTIONS (cont.)

Local hospitality and tourism operators and staff should also be educated to promote the tramway as a transport option when dealing with potential patrons, as word of mouth is one of the most valuable forms of exposure.

It is doubtful whether value would be gained from local paid advertising, as the news and PR coverage would create its own awareness.

A major recommendation is for a product to be developed in conjunction with the new operators of the railway system from Melbourne to develop a product of round-trip one fare tourist package incorporating: -

Parking at or near Spencer Street Railway Station
Train fare to and from Spencer Street to Ballarat Station
Tram fare to and from Ballarat Station to Sovereign Hill
(including unlimited stops along the way at designated stops)
Entrance fee to Sovereign Hill
Return tram fare to Ballarat Station
Return train fare to Spencer Street Station

Possible add-ons to this package might include :-

Overnight accommodation at hotels or motels along the tram route
or at Sovereign Hill

Meals, drinks on the train coming to, or going from Ballarat

Cocktails on the tram coming to or going from Sovereign Hill

Theatre passes

Etc., etc., etc.,

A suggested marketing campaign is outlined below:

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

MARKETING PLAN SUGGESTIONS (cont.)

Brochure Production

The production of a high quality glossy colour brochure as the major marketing tool is essential. Featuring high-grade colour photography and artwork, the brochure should also contain a map showing the tram route, fares and an accurate timetable.

Approximate production costs are as follows:

Production of high quality glossy 2-fold DL brochure

Print run 50,000

Estimated cost :- \$10,000

Distribution throughout the Ballarat region should be as comprehensive as possible, with adequate supplies provided to accommodation outlets, tourist attractions, information centres, railway stations and appropriate retail and office venues. Where possible, a freestanding clear perspex brochure rack should also be provided for maximum visibility.

Distribution of the brochure should also be made to key tourism and travel industry personnel via the mailing lists of Ballarat Tourism and the City of Ballarat.

Media Advertising Campaign

It is recommended that a newspaper advertising campaign aimed at the metropolitan area be implemented to coincide with the launch of the tram system. Follow up advertising should also be considered prior to school holidays and other peak visitor periods. The advertisements should promote the tramway as an embellishment of Ballarat's considerable attraction as a tourist destination and may emphasise the "our trams have connies" aspect.

Approximate costs for advertising are given below, but consideration could also be given to a co-operative advertising program between other Ballarat tourist attractions or services. For example, the tramway could advertise in conjunction with Sovereign Hill or the Eureka Museum as a means of transport from the city to either location. Such a program would spread the cost between participants while still giving exposure to the tram system.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

MARKETING PLAN SUGGESTIONS (cont.)

Newspapers

Press involvement should be based on editorial matter based on Ballarat reintroduces "Tourist tram system" (with connies ?) - the transporting of the rolling stock from Melbourne to Ballarat would provide a worthy news story in itself.

Radio

Similarly radio coverage should be limited to editorial comment.

Billboards

Strategically placed billboards at the main entrances to the city create an immediate awareness for people travelling to Ballarat by car. It must be understood that many will prefer to drive themselves to the various points of interest, and if visiting for one day only, they may simply not take time out for a leisurely tram ride between destinations.

The message of parking at one central easy economic parking station and taking a one-fare tram ride to the major attractions should be forcefully conveyed.

Visitors staying longer are ideal candidates for using the tram system however, and it is therefore essential that the idea be placed in their minds as soon as they arrive in town.

6 x 3 metre (24 sheet) size

Approx. \$400 per month.

Estimated cost for :-4 billboards x 3 months \$4,800

A budgeted amount of \$50,000 per annum has been allowed for marketing.

MARKETING PLAN SUGGESTIONS (cont.)

Public Relations Campaign

As previously indicated, metropolitan interest in a regional tram system is bound to be limited unless there is a "hook" which provides greater appeal, and the provision of conductors on Ballarat trams is probably the strongest angle in gaining media exposure, especially if the conductors could give passengers relevant tit-bits about historical happenings along the course of the ride, making the tram ride a tourist ride experience in itself.

While free media coverage is impossible to guarantee, the strategic placement of media releases and invitations to launch the project may result in good exposure in the metropolitan print media, on radio and television chat shows or "soft" news programs.

The launch of the tramway would also present an ideal opportunity to invite a Ballarat-oriented personality with a high media profile to take the first tram ride, ensuring further publicity. Former Ballarat residents such as the current Premier, AFL star Tony Lockett or GTV9 game show host Glen Ridge have considerable clout in the publicity stakes, and would probably be persuaded to appear, albeit for a fee. They may even consider wearing a conductor's uniform.

Signage

Allowing for the fact that signage around the city must comply with predetermined standards, the provision of clear, frequent signage indicating the location of tram stops is essential.

Presumably some arrangement will be made for car parking, as visitors wishing to leave their vehicle and take the tram will do so only if it is convenient. A well sign-posted car park adjacent to the tram depot would provide a strong incentive for drivers to leave the family vehicle behind and proceed along the tourist route by tram.

An easily identified series of signs aimed at pedestrians who may be unfamiliar with the location of tram stops would also assist in increasing patronage.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

STRATEGY PLAN & PLANNING SCHEME COMPLIANCE

* The "Ballarat Central Business Area Strategy Plan" ("Strategy Plan") states that one of the Central Business Area's (CBA) shortcomings is its inability to encourage Sovereign Hill visitors to visit the city centre. (approx. 500,000 p.a.)

The tram system could promote visits to the CBA with the added products of Camp Street and the Ballarat Station Precinct, making the CBA group of attractions a "must see" add-on to any Sovereign Hill visit, and encouraging tourists to extend their stay in the area to possibly 2 days rather than the quick day trip.

* The Strategy Plan also states that there is no "integrated public transport system facilitating easy travel through and within Ballarat"

The tourist tram will address this problem at least in part and may completely revitalize the city centre over time with further stages developed, especially if a modal interchange precinct of attraction is developed at the Ballarat Station.

* Retail weaknesses are identified in the Strategy Plan as :-

Difficult vehicle access in and around town

Difficult parking close to the shopping centres

* A suggested solution to the difficulty of "Car parking, Transport and access" in the Strategy Plan is to "reinstate trams" and whilst the Plan suggests linking the Mall to Central Square, which stage 1 would not do, the subsequent success of the system as proposed in stage 1 should lead to further development in the city of other legs of travel.

* 48% of the Strategy Plan sample stated that "it is often difficult for shoppers to find a car space" in the CBA, with a further 40% saying it is "sometimes difficult".

It is not unreasonable to suggest that an economic parking station remote from the CBA with ease of parking, and regular tram links to the CBA could in time become a favoured solution for these shoppers, a percentage of whom would use the further facilities of the tram to stop for meals, coffee, etc at other stops along the route.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

STRATEGY PLAN & PLANNING SCHEME COMPLIANCE (cont.)

* The Strategy Plan found that one of "The single most important priorit(ies) for the CBA for Traders" was to reinstate the tram.

*The Strategy Plan stated that "the layout of the roads which has developed over 150 years, can be confusing for newcomers and tourists to the city" which is "an element that may detract from the economic performance of the CBA", making the visitor more inclined to find the one major destination and then be adverse to exploring for more, leaving the City without visiting further destinations. The tram could alleviate this problem by allowing the visitor to park at a well advertised and signposted location and then be taken to the various tourist destinations with out further effort by the visitor.

This could be the same major car parking facility that the Ballarat locals are using for their shopping parking.

*The Strategy Plan suggest that a "Recommendation of the Community Plan which (is) relevant to the Ballarat CBA " is for "encouragement to be given to developing the Railway Precinct as a visitor attraction"

Such a development at the Ballarat Railway Station with the train feeding renewed numbers of people into the area and the tram taking them out through Camp Street and the Mall area and on to Sovereign Hill would be of immense benefit to the Ballarat area.

* Another recommendation " in the Strategy Plan is to re-vitalize the "Bridge Street " Mall ", by the "reinstatement of historic facades and verandahs".

The tram system whether through the centre of the Mall or around the north side of it via Curtis Street, would certainly add to this recommendation.

* The Strategy plan also states that the Community suggest that the "trams in the CBA should be reinstated, particularly for tourism"

*The Strategy Plan's "Commercial Strategy " suggests that "tourism retailing" should be promoted.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

STRATEGY PLAN & PLANNING SCHEME COMPLIANCE (cont.)

The Tram would be able to link the City's largest collector of tourists (Sovereign Hill) with the City's largest group of retailers economically and effectively, especially if they had further stops in Camp Street and the Railway Station Precincts.

* The Strategy Plan strongly urges the re-furbishment of the Ballarat Railway Station Precinct and this is to further recommended in this report.

With the opportunity of vastly increased numbers being brought from out of Ballarat and the newly contracted owners of the rail system anxious to create new product to bring users to their system now is the time to be promoting such development in conjunction with those new owners.

* The Strategy Plan suggests (page 77) that the development of Camp Street Precinct could be "providing the CBA with a central activity node during the day and night (although) - this will be difficult to achieve, however if Camp Street is competing with the Railway Precinct for suitable activities".

It is this report's contention that the two precincts should be made into the one large central City activity node using the S&F Motors car site and linking the both using the tram.

Properly done this area could provide a major focus of recreational attention for visitors and locals alike.

* The Strategy Plan further calls for the reinstatement of trams (page 86) "to enhance public transport accessibility" and sees it as so important that "if it does not proceed, then consideration should be given to the establishment of a shuttle or courtesy bus to provide a mechanical linkage between the different precincts of the CBA, especially the two retail precincts".

Whilst this report does not cover the linkage of the two retail precincts, the tourism route should prove to be the one most likely to succeed in the first instance with further linkages being developed as a corollary.

* The Strategy Plan also states "the CBA does not currently fulfil its potential as the centre of the region's tourism industry. Unresolved issues include..creation of a better transport interchange around the station precinct" (page 129).

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

STRATEGY PLAN & PLANNING SCHEME COMPLIANCE (cont.)

The development of the tram terminus (with associated facilities of rest rooms, cafes etc) between Camp Street and the Railway Station would address this problem.

*The Strategy Plan suggests as a “development proposal” the redevelopment of the S.&F Motors car yard in Mair Street..... as a public space to open up the vista of the railway station buildings from Camp Street”

This report suggests that the land be acquired and used to house the tram terminus allowing visitors access from the site to the railway station forming the modal interchange for both modes of transport tram and train.

*The Strategy Plan has specified a goal of “actively supporting the re-establishment of a tram service in Ballarat” to “ enhance safety, comfort and convenience of the pedestrian environment and public transport facilities and improve vehicle access and minimise the impact of through traffic”

Each of these factors would be helped by the introduction of this tourist tram system.

There would be some inconvenience to vehicular traffic along the route as they would have to stop for passengers alighting and entering the trams but this would be offset by the benefits brought to the city and would be seen as “normal” after a short time.

* The Strategy Plan also identifies the goal of “promoting the CBA as a focus for recreational and entertainment activities in conjunction with the CBA as a focus for specialised shopping”

The tram system properly run and marketed could provide a very attractive range of packages for local and visitors (day trippers and overnight stays) by providing day and night trips in and around the CBA providing linkage and service to Ballarat’s major tourist, retail, dining and theatrical centres.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

SUGGESTED ROUTE

The suggested route for the first stage of the Ballarat Tourist Tram is as follows :-

(see Appendix C)

- * Ballarat Railway Station Terminus
(to be developed on and behind the S&F Motors)
If this is not suitable the tram should start in the railway yards and continue down Lydiard Street North turning east into Mair Street and south into Camp Street.
- * Down Camp Street
- * Turning east into Sturt Street and down the northern side of the central median strip
A turning radius of 12 metres has been advised as the maximum and the corner of Camp Street and Sturt Street should be designed to accommodate this.
- * Through the centre of the Mall or along the south side of Curtis Street
- * Turning south into Peel Street
- * Along Peel Street to Steinfeld Street
- * Turning south-east into Steinfeld Street
- * Along the north side of the canal to the carpark bounded by Barkly, Eureka, Peake and Steinfeld Streets. It is suggested that this car park be developed as the tram's depot for Stage 1.
- * Along Eureka Street turning south into Main Street
- * Along the centre of Main Street to the southern Terminus in Main Street south of the Lal Lal Street intersection. This would be a functional terminus only with no facilities, located in the middle of the road reserve.
- * An extension to develop the terminus in the car park of Sovereign Hill would be a further option at an extra cost of \$ 10,000.

SUGGESTED ROUTE (cont.)

This will serve to deliver passengers to the front door of Sovereign Hill but will make it more difficult for passengers going to other venues at the southern end of the line.

- * The commuter's car park development of a multi-level car park could be developed at the Steinfeld Street depot site thereby not decreasing the current parking facilities for the Llanberris Athletic track and the Stadium across the road - the shopping traffic and the stadium and athletics traffic should be complimentary , maximising the utilisation of the car park facility.

This route is closely aligned to the Maunsell Report's preferred route except for :-

- i) The incorporation of the northern terminus at S&F Motors.
- ii) The changed alignment down the more economic route of the centre of Main Street and to give the tramway visible 'icon' status.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

INFRASTRUCTURE

Depot structure

It is proposed that a depot should be built on the car park site in Steinfeld Street bounded by Eureka, Peake and Barkly Streets.

It should be based on a concrete slab with one service pit and be of structural steel frame with steel sheet cladding.

It would include :-

1 administration office for the Manager and his secretary

1 maintenance and inspection pit

Storage for 4 tram cars & maintenance vehicle

Staff lunch room

Staff Change room

Toilets and showers for staff

Machine shop facilities - no major allowance for machinery.

Substation building adjacent.

A detailed design of this facility is outside the scope of this report.

Terminus Buildings

These would be of structural steel frame construction on concrete slabs with steel sheet cladding and timber seating.(see Appendix B - Concept Drawings)

Passenger Shelters

There would be 6 passenger shelters located at stops along the way to allow passengers waiting for the tram to be safely protected from vehicular traffic and have shelter from the elements.(see Appendix B - Concept Drawings)

They should be spaced at approximately equal distances from one another and close to strategic locations if possible.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

INFRASTRUCTURE (cont.)

Signage

Large, clear signage should be provided at all of the entrance gateways to the City of Ballarat directing vehicular traffic to the tourist tram car park (if one is developed) or the closest terminus or passenger stop to that particular gateway.

Further emphasis and public awareness can be implanted by advising driver's to be courteous in dealing with trams and their passengers and that it is illegal to pass a stationary tram unless waved past by the tram staff etc.

Signs could be placed at the intersections through which the trams pass advising drivers to give way to trams.

A major public awareness driver education program should be organised through the local police force to emphasize the driver's responsibility to trams in the traffic.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

LAND ACQUISITIONS

This report recommends the acquisition of two parcels of land as part of the development of Stage 1 of the Ballarat Tourist Tram, being :-

The S&F Motors (Godbehears Mitsubishsi) site for the development of the northern Station terminus.

It has been advised that the valuation of this site is \$500-550,000 and that the Council currently has the first right of refusal to purchase this site after a 2 year period. Due to the mixed use of this land, this report allocates a purchase price for this land of \$250,000 to be paid in 2001 with the balance funded from Council or government grants - no interest payment on the excess monie has been allowed for.

The Car park site in Steinfeld Street bounded by Eureka, Peake and Barkly Streets for development as the tram systems depot and substation site.
A sum of \$150,000 has been allocated as the purchase price of this land.

This is a purely arbitrary allowance for the funding of this land purchase cost and funding of this land should be adjusted to fit Council's cashflow and funding allowances.

Allowance has been made for the Car Park purchase to be on a 3 year loan at 10% interest only loan basis, including upfront payments of 10% deposits and payment of legal fees and stampduties.

* (These property valuations should be confirmed by a certified valuer cognisant with the Ballarat property market - the above have been used as "indicative" prices only.)

BALLARAT TOURIST TRAMS

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STAFFING REQUIREMENTS

The following staff levels are expected to be necessary for the successful operation of the Stage 1 development.

It has been assumed that the capital works will take approximately one year for completion from the time of the funding being obtained (this includes permit applications etc.) and that staff will be hired and commence training from halfway through that first year - consequently the cashflow shows a reduced staff expenditure during that first year.

The recommended staffing is as follows:-

Manager	1
Administrative Assistant	1
Tram drivers	3
(1 per operational tram and one for relief work and after hours tours)	
Conductors	2 full time
	6 volunteers
Maintenance Crew	2
(on a " on call" basis possibly contracted from a local electricity supply company or retired cable maintenance staff from SEC etc.)	

The above full time staffing is the minimum required to effectively run the proposed Stage 1 operation, with more or less volunteers adding to the workforce.

The Manager would be responsible for all aspects of the tourist tram operation and should be trained as a driver for unforeseen shortages.

The Manager would be responsible for all advertising, marketing and promotional sectors of the business as well as the financial and legal responsibilities of the system.

BALLARAT TOURIST TRAMS

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ROLLING STOCK

The Ballarat Tramways Museum representative consulted, (Mr. Warren Doubleday) has advised that current rolling stock is not suitable for constant use on the tram system and should be retained for occasional use for special functions.

He more strongly recommends that the Melbourne "W" class rolling stock are by far the most suitable both for passenger comfort and serviceability.

Whilst the local heritage tramcars are by far preferable, on the accepted advice that they are unavailable and unserviceable, this report has focused on that rolling stock which is available.

Should the local tramcars become available , then they are strognly recommended.

Obviously the use of "W" Class trams as rolling stock will depend on their acceptability by the local populace.

The Ministry of the Department of Transport have advised that they currently have a surplus stock of 50 such vehicles and that up 12 may be able to be made available for the Ballarat Tourist Tram system.

It is strongly recommended that the Ballarat City Council urgently contact the Minister's Heritage Committee Convenor, Mr. Mike Ryan, applying for the transfer of these tramcars to be used in this development.

COMPARATIVE SERVICES

THE BENDIGO TRAM SYSTEM

The Bendigo Tramway is purely a tourist facility, and does not provide a regular public transport service in anyway.

Twenty-three vintage trams were purchased from the State Electricity Commission by the Bendigo Trust and these are stored at the Tram Barn/Museum, site of the original tram depot. All tramway infrastructure in Bendigo is original, with no reconstruction having been necessary to establish the tram route.

The trams run along original track, commencing at the Central Deborah Goldmine and following an 8 kilometre route through the city which passes places of interest including Sacred Heart Cathedral, the Shamrock Hotel, Court House and the memorial to Bendigo's gold pioneers. A spoken commentary is given throughout the journey.

Since mid-May 1999, a café tram has been operating from Wednesday to Sunday of each week, and is available for morning tea, lunch, afternoon tea and dinner each day. It is also available for charter at any other time.

Current figures indicate that approximately 63,000 people use the Bendigo Tramway each year, with an average of 1,250 people each week.

On weekdays the service runs hourly from 9.30 am to 1.30 pm with an extra trip at 3 pm. On weekends the service is hourly from 9.30 am to 4.30 pm, and during holidays there is a half hourly service from 9.30 pm to 5 pm.

The operators of this system state that it is currently running "successfully" and the new Restaurant service started in May is already requiring them to put of extra services due to it's popularity.

BALLARAT TOURIST TRAMS

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THE CHRISTCHURCH TRAM SYSTEM

The Christchurch Tourist tram system is currently operating on a very successful level having reached "icon" level very quickly in it's development period.

It has demonstrably stimulated commercial activity in the CBD of Christchurch despite only running around a 2.5 kilometre loop around the CBD.

Whilst the tram struggled to gain users at the start due to lack of user awareness, it became cash profitable in it's third year with an increased profit in the fourth year.

It has a rolling stock of 4 tram cars and 2 trailers, with 2 tram cars being out every day.

Christchurch has a population of 340,000 people.

Christchurch has a tourist visitation of 600,000 people per annum.

The development budget for the system was \$300,000 for infrastructure rental and \$90,000 for tramcar rental.

The tram carries 300,000 people at \$3 per single ride ticket annually with further tickets of \$5 for a one hour ticket and \$6 for a full day ticket.

At 400,000 users per annum the tram car is New Zealand's biggest visitor attraction.

Major growth is currently in the food and beverage sector of the trams services, providing on tram cocktail parties, 3 course meals at restaurants on route and pre-theatre tours. The major income source is now from these activities.

The tram links the Christchurch Art Centre, Cathedral Square, Canterbury Museum, the Christchurch Botanical Gardens, Victoria Square, The Christchurch Conference/Entertainment Centre and New Regent Street Precinct (a new art deco street development - Camp Street?)

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

THE BALLARAT DOUBLE DECKER BUS SERVICE (London Bus Co.)

Until recently a double decker bus provided a shuttle service linking the major tourist attractions around Ballarat. The service was introduced following the success of a similar service with two vehicles operating in Bendigo.

The 26 kilometre route began and ended at Sovereign Hill, taking in central Ballarat, the railway station, Lake Wendouree and extending east to the Great Southern Wool shed and Eureka Museum.

The service was recently discontinued due to lack of patronage. Company director Tim Borchers made the following comments:

1. It was assumed that the Ballarat market would be similar to Bendigo, but this proved not to be the case.
2. Sovereign Hill and Ballarat must be considered as two separate markets, as day trip visitors to the historical park rarely make the journey into town due to lack of time.
3. Although the service began at Sovereign Hill, few passengers boarded there as they had their own car, or had travelled by coach (the majority of coach passengers are inbound or domestic visitors travelling as part of a package).
4. Most passengers boarded at the railway station.
5. Only during Senior Citizen's week was the coach full to capacity.

The double decker bus seats 77 passengers, and during the 12 months of operation in Ballarat averaged 10 to 12 passengers daily.

Running costs were approximately \$150 per day, with a fuel cost of \$30 and drivers' wages of \$120. Passengers were charged at the rate of \$8 for adults, \$7 concession and \$4 for school aged children. The service ran at a consistent loss of approximately \$500 per week, offset by the Bendigo operation. It is unlikely that the service will be reintroduced.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

TICKETING COSTS

Based on the premise that the Tourist Tram system is required to be cost neutral and preferably profitable it is recommended that all users of the service pay a fare at different rates depending on the duration and distance of their travel .

The following table of fares is suggested for both ease of purchase and to minimise the ticket vending role of the conductor on the tram.

Day Pass Tourist tickets - \$ 5.50 per person

These would generally be sold at a point of purchase remote from the tram so that tourists could pre-pay before arriving on the tram. They should be heavily promoted as being "Discounted " at these remote locations.

Such outlets as tourist information booths, the railway station, surrounding Petrol stations etc would be suitable. This ticket would allow the purchaser unlimited travel on the tram for the period of that day's operation

Tourists visiting Ballarat but not visiting Sovereign Hill

3 million per annum

(est Ballarat Tourism Board as advised to Sovereign Hill management)

Bendigo trams with a similar number of tourists attract 63,000 passengers p.a.

Assume that Ballarat Tourist trams will achieve 65% of the Bendigo figure
or 40,950 ticket sales per annum

(Sovereign Hill Management estimate is 70% of Bendigo figure)

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

TICKETING COSTS (cont.)

Sovereign Hill Discount tickets - \$4.50 per person

These tickets would be purchased in conjunction with Sovereign Hill entry tickets and give the user a further discount.

This ticket would allow the purchaser one return ride on the tram.

Sovereign Hill estimate that 70,000 of their visitors would use the service.
(see Appendix C - Sovereign Hill user estimates)

N.B. The further 370,000 "free independent travellers" noted on the Sovereign Hill Management study have been considered to yield only 40,950 for the purposes of this study for conservative reasons.

Shopper ride tickets - \$2.00 per person per round trip

Based on the Strategy Plan's retail shopper numbers and predictions, assume that 10% of the total number of residents in the CBA trade area of 179,900 in 1994 (88% of whom found parking difficult at least sometimes) will use the tram at least once in each year for a short stop shopper trip, i.e 18,000 users

Restaurant/Theatre Tour tickets - \$5.00 per person

These tickets will usually be sold as part of a larger cost for an evening package but this amount is the amount suggested for the tram to re-coup per person.

It is assumed that an average of 50 people per week will use such a ticket,
i.e. 2,500 users p.a.

This does not seem a difficult target given the current population of Ballarat and the 418,000 overnight visitors who stayed in the region in 1994. This service will rely heavily on the marketing and organisation of a good quality product using the tram to it's fullest extent in the evenings.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

TICKETING COSTS (cont.)

Conference Patrons - \$6.75 per person

This ticket is sold on the basis that the patrons will be in Ballarat for an extended period and that the conference organisers will be anxious to provide as wide an variety of experiences for their delegates as possible.

This ticket will give conference delegates unlimited travel on the tram for the duration of their conference, during normal operational hours.

It is estimated that a minimum of 1,000 conference delegates per annum and 3,000 small conference delegates will purchase such a ticket
(Sovereign Hill estimates)

Ballarat Residents as Tourists - \$4.50 per person

This ticket will be purchased by Ballarat resident's for their own tourism needs and the numbers are based o Sovereign Hill's quotient of local market of 7% of 90,000 i.e 6,300 users.

This ticket will give the resident unlimited, all-day use of the tram service.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

SPONSORSHIP AND SIGNAGE RIGHTS

Packages for signage rights on the sides of the trams and on the terminus buildings and passenger shelters should be advertised for sale at a fee of \$2,000 each with the following packages being available on the basis of:-

2 per each side of the 2 tram cars in use =	8 packages @ \$3,000 each
2 per Passenger shelter x 6 shelters =	12 packages @ \$2,000 each
4 per terminus building x 2 terminus =	8 packages @ \$2,000 each

The sponsorship packages might include :-

Signage rights to the area stipulated for a 12 month period

Free use of the tram for 1 function annually for a period of 4 hours outside of normal operational hours.

5 free annual passes to unlimited tram usage for the year.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

FINANCIAL ANALYSIS

For the most part, this report concurs with those figures presented by the Ballarat Tramway Museum and as confirmed by Christchurch and the Public Transport Corporation and its Melbourne consultants.

1. CAPITAL COSTINGS

The following Capital costings have been identified using current industry sources :-

Trolley wire	supply	\$ 10 per lineal metres - allow for 4,100 lineal metres
	installation	\$20 per lineal metres - " " " " "

Poles for the wires \$1,200 per pole 1 per 30 m of route

Track supply & installation \$ 300 per lineal metre of track (on 2 metres wide base)

allows for saw cutting of side of excavation

excavation

dumping of excavated material

150mm Class 2 crushed rock base

350mm 50 Mpa mass concrete

F82 mesh between the rails

Embedded steel rails

allowed at \$ 1,100 per tonne

41 kg / lin.m.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

1. CAPITAL COSTINGS (cont.)

Rolling Stock Purchase

The Transport Minister's office has suggested that the Ballarat City Council should immediately submit a request for the allocation of up to 12 of the stored "W-7" class tram cars currently being held by the Ministry. This request should be made to Mr. Mike Ryan, the Convenor of the Heritage Advisory Committee, which controls approximately 50 such cars in varying degrees of repair but generally the best of the group are usable and have been stored for future use. The current premises where they are stored has been sold and have to be vacated.

The National Trust requested that the stock be kept for several reasons one of which was for possible use in regional tram systems. Minister Brown embargoed all "W" class trams from leaving the state. The National Trust at the time stated that they would support them going to service Ballarat. It is possible that these rolling stock could be made available to the Ballarat Tourist Tram system at a "very economic" rate.

The cashflow has assumed a rate of purchase of \$ 20,000 per car for 4 cars - this is believed to be conservative as there is currently a stock of 50 "W" class trams of no use to the Ministry and with a need to be vacated from their current storage venue with no new storage venue identified.

Rolling Stock Refurbishment

Each of the cars would require approximately \$100-150,000 to install better heaters, overhaul bogey systems, refurbish motor windings, renew brake systems, upgrade each for Department of Transport accreditation, paint and sign the cars.

Elevated Platform maintenance vehicle

Economics suggest that this vehicle should be secured on an "on call" basis as per the maintenance crew (see "Staffing") but an allowance of \$ 50,000 has been allowed to be cover this item in case no such vehicle can be made available by a local electricity supply company. It is not expected that this vehicle would be required often in the systems first 5 years other than to fix teething problems of the system.

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

1. CAPITAL COSTINGS (cont.)

Storage and maintenance Depot

The depot for Stage 1 has been costed to include the following features:-

- 1 maintenance and inspection pit
- Storage for 4 tram cars & maintenance vehicle
- Administration office
- Staff lunch room
- Staff Change room
- Toilets/ showers for staff
- Machine shop facilities - no major allowance for machinery.

The allowance for this depot is \$ 200,000

Northern Terminal Building

The northern terminus has been allowed at \$ 7,500
(see Terminal design - Appendix B - Concept Designs)

Southern Terminal

The southern terminus has been allowed at \$ 7,500.

Passenger Shelters

Six Passenger terminals have been allowed along the route at a cost of \$ 4,000 each.

Sub-station

A new sub-station will be required to service the tram system and an allowance of \$300,00 has been made.

Land acquisitions

Depot an allowance of \$ 150,000 has been made
S&F Motors an allowance of \$ 250,000 after 2 years has been made

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

1. CAPITAL COSTINGS (cont.)

Signage

An allowance of \$10,000 has been made for signage - this will obviously be mostly static signage and not incorporate any electronic signage

Professional Fees

A percentage of 15% has been allowed to cover professional fees for :-

- Project management
- Architectural Design
- Engineering Design
- Electrical Engineering fees
- Transport Engineering fees
- Quantity Surveyor's Fees
- Surveyor's fees
- Legal Documentation
- Specialist Consultant's fees.

2. RECURRENT COSTINGS

Maintenance

Overhead Wires

No maintenance is expected to be a cost for 5 years after the commencement of the service except for some minor adjustments in the first year seen as "teething" problems.

\$ 50,000 has been allowed in year 5 of operation

Rolling Stock

A large budget has been allowed for the Capital refurbishment of the rolling stock and so it is expected that the rolling stock will not require major works for 3-4 years.

\$100,000 has been allocated for this work in year 3 of operations, with a further \$50,000 in years 4 and 5.

BALLARAT TOURIST TRAMS

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RECURRENT COSTS (cont.)

Maintenance(cont.)

Track maintenance

Installation of new tracks at the commencement of the development should preclude major maintenance but since it is this element that carries the most wear, an allowance of \$10,000 has been allowed in years 2 and 3 of operations, \$20,000 in year 4 and \$50,000 in year 5

Power costs

An annual budget of \$50,000 has been allowed.

Training & safety

An annual budget of \$15,000 has been allowed.

Telephones

An annual allowance of \$12,000 has been allocated.

Printing and stationery

An annual allowance of \$20,000 has been allocated.

Marketing

An annual allowance of \$50,000 has been allocated.
(see " Marketing Plan Suggestions")

Wages

It is expected that the wages relative to this development will fall under the tourism category and be able to be set apart from award wages.

Drivers wages have been allocated at 3 staff at \$35,000 each per annum
Maintenance Crew have been allocated at 2 staff at \$30,000 each per annum
Conductors have been allocated at 2 staff at \$30,000 each per annum.

BALLARAT TOURIST TRAMS

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RECURRENT COSTS (cont.)

Wages (cont.)

Manager has been allocated at 1 staff at \$ 55,000 per annum.

Administrative Assistant has been allocated at 1 staff at \$25,000 per annum

Uniforms

An allowance for 13 uniforms has been made for all staff on the trams at a rate of \$1,000 per uniform with a renewal every two years.

Rates, Insurances, cost of operations

An overall allowance of \$100,000 per annum has been allowed to cover all rate payments on held properties, TAC payments, insurance premiums for public liability, workers compensation, superannuation funds, long service payment, site security, asset insurance etc.

As can be seen from the attached Cashflow Analyses (see Appendix C - Cashflow Analyses) based on the projected user figures the ongoing profitability of the operation is more easily established than the initial stages due to the high establishment costs of such an infrastructure -dependant start up stage.

There is therefore, more latitude for spending in the later years of the operation given that it is sufficiently funded to survive this first year or two of introduction to the market.

BALLARAT TOURIST TRAMS

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APPENDIX A - FINANCIAL CASHFLOW ANALYSES

BALLARAT TOURIST TRAM DEVELOPMENT
Stage 1 - EXPENDITURE

SCENARIO 1 - EXPECTED FIGURES

CAPITAL EXPENDITURE			YEAR					
	lin.m	rate	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Trolley wire - supply	4,100	10	41,000					
- installation	4,100	20	82,000					
Wire Poles	4,100	40	164,000					
Track - supply & install	4,100	300	1,230,000					
Rolling stock - purchase & transport to Ballarat	4	20,000	80,000					
Rolling stock - refurbishment	2	125,000	250,000					
Elevated platform maintenance vehicle	1	50,000	50,000					
Depot construction	1	200,000	200,000					
Terminus buildings	2	7,500	15,000					
Passenger shelters	6	4,000	24,000					
Sub-station	1	300,000	300,000					
Land acquisition - Depot site	1	150,000	45,000	15,000	15,000	135,000		
-S&F Motors site	1	250,000			250,000			
Signage		10,000	10,000					
TOTAL EXPENDITURE - CAPITAL		2,491,000	2,491,000	15,000	265,000	135,000		
Professional fees	15%	373,650	373,650					
RECURRENT EXPENDITURE								
Maintenance - wires			-	-	-	-	-	50,000
- rolling stock			-	-	-	100,000	50,000	50,000
- tracks			-	-	10,000	10,000	20,000	50,000
		p.a. operations						
Power costs		50,000	20,000	50,000	50,000	50,000	50,000	50,000
Training & safety		15,000	15,000	15,000	15,000	15,000	15,000	15,000
Telephones		12,000	3,000	12,000	12,000	12,000	12,000	12,000
Printing & stationery		20,000	20,000	20,000	20,000	20,000	20,000	20,000
Marketing		50,000	50,000	50,000	50,000	50,000	50,000	50,000
Wages								
Drivers	3	35,000	25,250	105,000	105,000	105,000	105,000	105,000
Maintenance crew	2	30,000	-	60,000	60,000	60,000	60,000	60,000
Conductors (+6 volunteers)	2	30,000	15,000	60,000	60,000	60,000	60,000	60,000
Manager	1	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Administrative Assistant	1	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Uniforms	13	1,000	13,000		13,000		13,000	
Rates, insurances, cost of operation		100,000	50,000	100,000	100,000	100,000	100,000	100,000
TOTAL EXPENDITURE (CAPITAL & RECURRENT)			3,156,900	567,000	840,000	797,000	635,000	702,000
INCOME								
Ticket sales								
Daypass tourist tickets	40,950	5.50	-	225,225	236,486	248,311	260,726	273,762
Sovereign Hill tickets	70,000	4.50	-	315,000	330,750	347,288	364,652	382,884
Shopper ride tickets	18,000	2.00	-	36,000	37,800	39,690	41,675	43,758
Restaurant/Theatre tour tickets	2,500	5.00	-	12,500	13,125	13,781	14,470	15,194
Conference delegate tickets	4,000	6.75	-	27,000	28,350	29,768	31,256	32,819
Ballarat residents "tourist" tickets	6,300	4.50	-	28,350	29,768	31,256	32,819	34,460
Sponsorship & signage rights		64,000	64,000	64,000	64,000	64,000	64,000	64,000
Government seed funding		3,200,000	3,200,000					
TOTAL INCOME			3,264,000	708,075	740,279	774,093	809,597	846,877
NETT PROFIT / LOSS			107,100	141,075	(99,721)	(22,907)	174,597	144,877
CUMULATIVE BALANCE (BEFORE TAX)			107,100	248,175	148,454	125,546	300,144	445,021

BALLARAT TOURIST TRAMS

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BALLARAT TOURIST TRAM DEVELOPMENT

SCENARIO 2 - EXPECTED FIGURES LESS 5%

STAGE 1 - EXPENDITURE

YEAR	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
CAPITAL EXPENDITURE						
Trolley wire - supply	41,000					
- installation	20					
Wire Poles	40					
Track - supply & install	300	1,230,000				
Rolling stock - purchase & transport to Ballarat	20,000	80,000				
Rolling stock - refurbishment	125,000	250,000				
Elevated platform maintenance vehicle	50,000					
Dept construction	200,000	200,000				
Terminals buildings	7,500	15,000				
Passenger shelters	4,000	24,000				
Sub-station	300,000					
Land acquisition - Depot site	150,000	45,000	15,000	250,000	135,000	
- S&P Motors site	250,000					
Storage	10,000					
TOTAL EXPENDITURE - CAPITAL	2,491,000	2,491,000	16,000	255,000	136,000	-
Professional fees	373,650	373,650				
RECURRENT EXPENDITURE						
Maintenance - wires	-	-	-	-	100,000	50,000
- rolling stock	-	-	-	-	50,000	50,000
- tracks	-	-	10,000	10,000	20,000	50,000
Power costs	50,000	20,000	50,000	50,000	50,000	50,000
Training & safety	15,000	15,000	15,000	15,000	15,000	15,000
Telephones	12,000	3,000	12,000	12,000	12,000	12,000
Printing & stationery	20,000	20,000	20,000	20,000	20,000	20,000
Marketing	50,000	50,000	50,000	50,000	50,000	50,000
Wages	35,000	26,250	105,000	105,000	105,000	105,000
Drivers	3					
Maintenance crew	30,000	-	60,000	60,000	60,000	60,000
Conductors (+ 6 volunteers)	30,000	15,000	60,000	60,000	60,000	60,000
Manager	1					
Administrative Assistant	1					
Uniforms	1,000	13,000	13,000	13,000	13,000	13,000
Fuel, insurances, cost of operation	100,000	50,000	100,000	100,000	100,000	100,000
TOTAL EXPENDITURE (CAPITAL & RECURRENT)	3,166,900	3,166,900	840,000	797,000	636,000	702,000
INCOME						
Ticket sales	39,903	550	224,652	235,885	247,690	260,074
Daypass tourist tickets	66,500	450	314,213	329,923	346,419	363,740
Sovereign Hill tickets	17,100	2,000	36,910	37,705	39,591	41,570
Shopper ride tickets	2,375	-	12,489	13,082	13,747	14,434
Restaurant/theatre tour tickets	3,800	6,750	26,533	26,279	29,693	31,178
Conference delegate tickets	5,965	450	26,993	26,279	31,178	32,737
Ballarat residents "tourist" tickets	64,000	-	64,000	64,000	64,000	64,000
Sponsorship & signage rights	64,000	64,000	64,000	64,000	64,000	64,000
Government seed funding	3,200,000	3,200,000				
TOTAL INCOME	3,264,000	676,871	706,466	738,688	772,317	807,733
NETT PROFIT / LOSS	107,100	108,871	(133,636)	(58,412)	137,317	106,733
CUMULATIVE BALANCE (BEFORE TAX)	107,100	216,971	82,436	24,024	161,342	267,076

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

BALLARAT TOURIST TRAM DEVELOPMENT

SCENARIO 3 - EXPECTED FIGURES LESS 10%

STAGE 1 - EXPENDITURE

CAPITAL EXPENDITURE			YEAR					
			1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Trolley wire - supply	lin.m	rate						
- installation	4,100	10	41,000					
Wire Poles	4,100	20	82,000					
Track - supply & install	4,100	40	164,000					
	4,100	300	1,230,000					
Rolling stock - purchase & transport to Ballarat	4	20,000	80,000					
Rolling stock - refurbishment	2	125,000	250,000					
Elevated platform maintenance vehicle	1	50,000	50,000					
Depot construction	1	200,000	200,000					
Terminus buildings	2	7,500	15,000					
Passenger shelters	6	4,000	24,000					
Sub-station	1	300,000	300,000					
Land acquisition - Depot site	1	150,000	45,000	15,000	15,000	135,000		
-S&F Motors site	1	250,000			250,000			
Signage		10,000	10,000					
TOTAL EXPENDITURE - CAPITAL		2,491,000	2,491,000	16,000	266,000	136,000		
Professional fees	15%	373,650	373,650					
RECURRENT EXPENDITURE								
Maintenance - wires			-	-	-	-	-	50,000
- rolling stock			-	-	-	100,000	50,000	50,000
- tracks			-	-	10,000	10,000	20,000	50,000
		p.a. operations						
Power costs		50,000	20,000	50,000	50,000	50,000	50,000	50,000
Training & safety		15,000	15,000	15,000	15,000	15,000	15,000	15,000
Telephones		12,000	3,000	12,000	12,000	12,000	12,000	12,000
Printing & stationery		20,000	20,000	20,000	20,000	20,000	20,000	20,000
Marketing		50,000	50,000	50,000	50,000	50,000	50,000	50,000
Wages								
Drivers	3	35,000	26,250	105,000	105,000	105,000	105,000	105,000
Maintenance crew	2	30,000	-	60,000	60,000	60,000	60,000	60,000
Conductors (+6 volunteers)	2	30,000	15,000	60,000	60,000	60,000	60,000	60,000
Manager	1	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Administrative Assistant	1	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Uniforms	13	1,000	13,000		13,000		13,000	
Rates, insurances, cost of operation		100,000	50,000	100,000	100,000	100,000	100,000	100,000
TOTAL EXPENDITURE (CAPITAL & RECURRENT)			3,166,900	667,000	840,000	797,000	636,000	702,000
INCOME								
Ticket sales			1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Daypass tourist tickets	36,665	5.50	-	202,703	212,838	223,460	234,663	246,366
Sovereign Hill tickets	63,000	4.50	-	283,500	297,675	312,559	328,187	344,596
Shopper ride tickets	16,200	2.00	-	32,400	34,020	35,721	37,507	39,362
Restaurant/Theatre tour tickets	2,250	5.00	-	11,250	11,813	12,403	13,023	13,674
Conference delegate tickets	3,600	6.75	-	24,300	25,515	26,791	28,130	29,537
Ballarat residents "tourist" tickets	5,670	4.50	-	25,515	26,791	28,130	29,537	31,014
Sponsorship & signage rights		64,000	64,000	64,000	64,000	64,000	64,000	64,000
Government seed funding		3,200,000	3,200,000					
TOTAL INCOME			3,264,000	643,668	672,661	703,083	736,038	768,689
NETT PROFIT / LOSS			107,100	76,668	(167,349)	(93,917)	100,038	66,689
CUMULATIVE BALANCE (BEFORE TAX)			107,100	183,768	16,418	(77,496)	22,639	89,129

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

BALLARAT TOURIST TRAM DEVELOPMENT

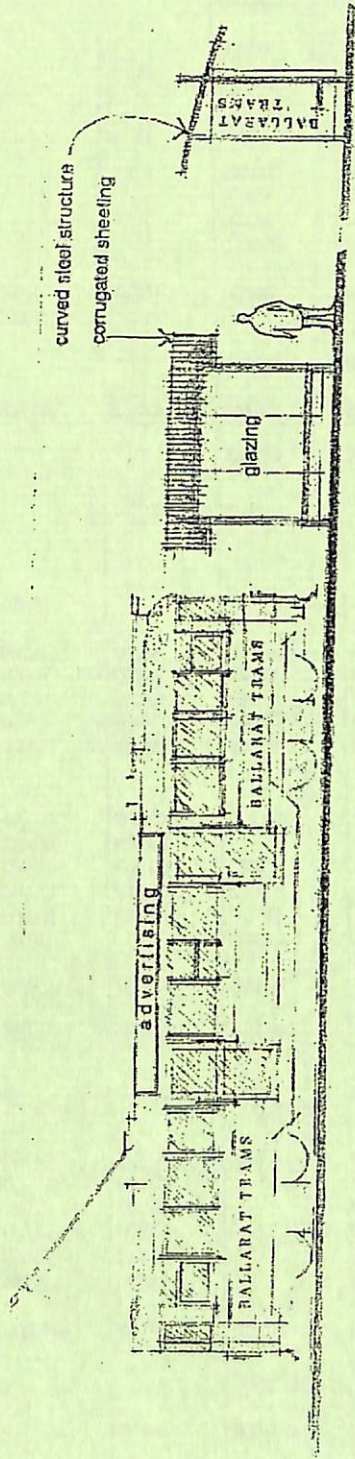
SCENARIO 4 - EXPECTED FIGURES LESS 20%

STAGE 1 - EXPENDITURE

CAPITAL EXPENDITURE			YEAR					
			1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Trolley wire - supply	lin.m	rate						
- installation	4,100	10	41,000					
Wire Poles	4,100	20	82,000					
Track - supply & install	4,100	40	164,000					
		300	1,230,000					
Rolling stock - purchase & transport to Ballarat	4	20,000	80,000					
Rolling stock - refurbishment	2	125,000	250,000					
Elevated platform maintenance vehicle	1	50,000	50,000					
Depot construction	1	200,000	200,000					
Terminus buildings	2	7,500	15,000					
Passenger shelters	6	4,000	24,000					
Sub-station	1	300,000	300,000					
Land acquisition - Depot site	1	150,000	45,000	15,000	15,000	135,000		
-S&F Motors site	1	250,000			250,000			
Signage		10,000	10,000					
TOTAL EXPENDITURE - CAPITAL		2,491,000	2,491,000	15,000	265,000	135,000		
Professional fees	15%	373,650	373,650					
RECURRENT EXPENDITURE								
Maintenance - wires			-	-	-	-	-	50,000
- rolling stock			-	-	-	100,000	50,000	50,000
- tracks			-	-	10,000	10,000	20,000	50,000
		p.a. operations						
Power costs		50,000	20,000	50,000	50,000	50,000	50,000	50,000
Training & safety		15,000	15,000	15,000	15,000	15,000	15,000	15,000
Telephones		12,000	3,000	12,000	12,000	12,000	12,000	12,000
Printing & stationery		20,000	20,000	20,000	20,000	20,000	20,000	20,000
Marketing		50,000	50,000	50,000	50,000	50,000	50,000	50,000
Wages								
Drivers	3	35,000	26,250	105,000	105,000	105,000	105,000	105,000
Maintenance crew	2	30,000	-	60,000	60,000	60,000	60,000	60,000
Conductors (+6 volunteers)	2	30,000	15,000	60,000	60,000	60,000	60,000	60,000
Manager	1	55,000	55,000	55,000	55,000	55,000	55,000	55,000
Administrative Assistant	1	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Uniforms	13	1,000	13,000		13,000		13,000	
Rates, insurances, cost of operation		100,000	50,000	100,000	100,000	100,000	100,000	100,000
TOTAL EXPENDITURE (CAPITAL & RECURRENT)			3,166,900	667,000	840,000	797,000	635,000	702,000
INCOME								
			1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Ticket sales								
Daypass tourist tickets	32,760	5.50	-	180,180	189,189	198,648	208,581	219,010
Sovereign Hill tickets	55,000	4.50	-	252,000	264,600	277,830	291,722	306,308
Shopper ride tickets	14,400	2.00	-	28,800	30,240	31,752	33,340	35,007
Restaurant/Theatre tour tickets	2,000	5.00	-	10,000	10,500	11,025	11,576	12,155
Conference delegate tickets	3,200	6.75	-	21,600	22,680	23,814	25,005	26,255
Ballarat residents "tourist" tickets	5,040	4.50	-	22,680	23,814	25,005	26,255	27,568
Sponsorship & signage rights		64,000	64,000	64,000	64,000	64,000	64,000	64,000
Government seed funding		3,200,000	3,200,000					
TOTAL INCOME			3,264,000	679,260	605,023	632,074	660,478	690,302
NETT PROFIT / LOSS			107,100	12,260	(234,977)	(164,926)	26,478	(11,686)
CUMULATIVE BALANCE (BEFORE TAX)			107,100	119,380	(116,617)	(280,643)	(255,065)	(266,763)

BALLARAT TOURIST TRAMS
A Feasibility Study for Ballarat City Council

APPENDIX B - CONCEPT DESIGNS



SECTION
1:100

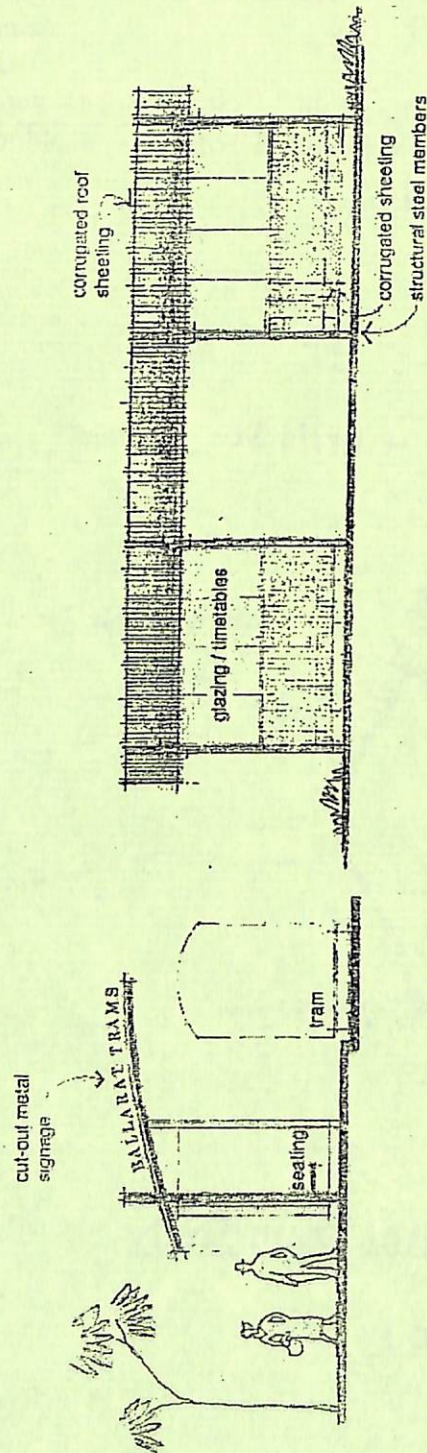
ELEVATION
1:100

**BALLARAT TRAMS
TRAM STOP - TYPICAL**

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

APPENDIX B - CONCEPT DESIGNS



SECTION 1:100

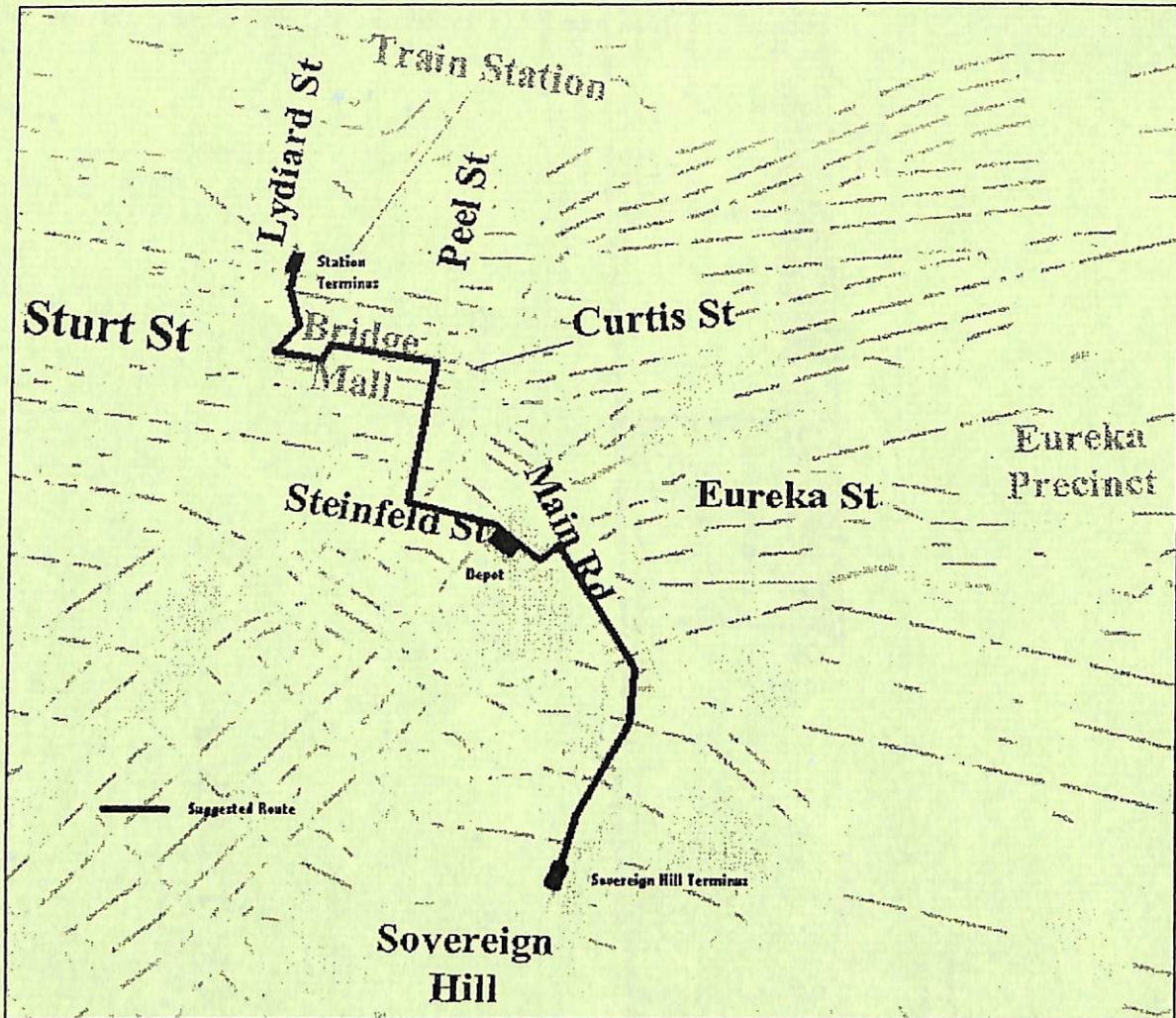
ELEVATION 1:100

BALLARAT TRAMS
TERMINUS - TYPICAL

BALLARAT TOURIST TRAMS

A Feasibility Study for Ballarat City Council

APPENDIX C - MAP OF SUGGESTED ROUTE



Suggested Route - Ballarat Tram Study

Stage 1

ACKNOWLEDGEMENTS

The following people are kindly acknowledged and thanked for their input the this report:-

Mr. Martin Mangan - General manager - Christchurch Tourist Tram

Ms. Sarah Hannan

Christchurch Tourist Tram

Prof. Pat Hope

Mr. Peter Hiscock AM - Director - The Sovereign Hill Museums Association

Mr. Warren Doubleday - Ballarat Tramway Museum Inc.



POTENTIAL TRAM ROUTE

--- Stage One (2.8 km)

----- Stage Two (4.7 km)



Not to Scale



SOVEREIGN HILL
BALLARAT

Attachment C169/00.2.
Cancu Mtg 24/5/2000

From the Executive Director

Peter McL. Hiscock, AM

April 27, 2000

Mr John McLean
Chief Executive Officer
City of Ballarat
PO Box 655
BALLARAT Vic 3350

Dear John

Tram Re-instatement

This letter is to summarize my presentation to your Tourism Board on Wednesday last. The possibility of a partial re-instatement of Ballarat's tramways system had been a recurrent cry for many years. When Chairman of the Tourism Board four years ago, I called a public meeting (attended by about 70 people) from which a Steering Committee was formed. The studies upon which my presentation was based resulted from the work of that Steering Committee.

Background

Our Steering Committee included the then Executive Director of Ballarat Tourism, Andrew McEvoy, three people from Ballarat University and three from the Ballarat Tramway Museum Inc, three other members of the Tourism Board and four members of the general public. We obtained Federal funding for an engineering study (the Maunsel Study) to establish the capital costs of installing a line linking the Botanical Gardens, the Railway Station and Sovereign Hill. A marketing study which was completed by Ballarat University's Tourism Department, was funded by the Tourism Board. More importantly, Tourism Victoria funded a further study on the likely ticketing revenues and operating costs (the Harrison Report.)

The Findings

1. Maunsel completed an excellent detailed study of possible routes and installation costs. The recommended route included the tram traversing the

Bridge Mall (similar to Bourke Street) and approaching Sovereign Hill via the creek valley rather than along Main Road. The costs included all infrastructure but assumed that the trams were already in situ. The cost estimate was \$6.6m

2. The Harrison Report did not accept the route stages suggested by Maunsel. The Report looked at only two stages – Ballarat Railway Station encompassing Camp Street to Sovereign Hill as Stage One for a capital expenditure cost of \$3.2m. No estimate was offered for the second stage linking the Station and the Botanical Gardens. The Harrison Report demonstrated that over a five year period the tram could be run profitably although the return would not be sufficient to service venture capital.

Committee Evaluation

Between the receipt of the Maunsel Report and the commissioning of the Harrison Report our Committee continued to meet and completed its own cost and revenue estimates. Some of our revenue sources were different from those in the Harrison Study (generally more conservative) and our wage costs were lower. We established that the tram operations should generate a surplus of \$50,000 to \$100,000 each year.

We assumed manning costs based on the assumption that volunteer drivers and conductors would operate trams at weekends and paid labour during the week. We also received indicators through the Tramway Museum of support in the form of track and overhead wires from the Bendigo system and noted that the capital expenditure estimates of both Maunsel and Harrison assumed no such donations. Given the subsequent privatisation of Melbourne's system, the assumptions that no free track or cabling would be available, are probably correct.

Key Issues

In my presentation I listed the following key issues:

1. Any plan to partially re-instate Ballarat's tramway system should recognise that Ballarat Tramway Museum inc is a key player.
2. The Ballarat Tramway Museum inc do not feel they have the resources to drive the project. Clearly, the formation of a non profit body like the Bendigo Trust is a workable option and the Tramway Museum should be seen as a key stake holder. The project is one which should qualify for regional infrastructure funding, or other funding aimed at reducing unemployment. Bendigo has a long history of utilising these funds for the re-laying of its tracks.

3. I believe it is critical that trams associated with the Ballarat system be used in any planned re-instatement. The Harrison Report assumes that sufficient W Class trams will be obtained from the Melbourne system. These are procurable. However, if all we do is to replicate Melbourne's City Circle Tram with identical trams, we will have lost the plot. The Tramway Museum have fifteen trams which once ran on our system. Of these, seven are operational. To meet the demands of tourist traffic four additional trams would require complete refurbishment. A further \$750,000 should be included in the project cost to accommodate this.
4. A tramway through the Mall coupled with the re-instatement of Victorian verandas, could transform Bridge Street into something of a heritage asset consistent with the branding of Ballarat. It would confer on the Mall a tourism potential which it otherwise lacks. The Mall Traders Association seem unable to grasp this.
5. As will be seen from the Harrison figures, Sovereign Hill is not a major beneficiary from the tram. Inbound traffic to Sovereign Hill is confined to rail travellers (less than 5,000 per annum.) Conversely there is an assumption that Sovereign Hill visitors will travel into the City, particularly in the twilight hours and that the trams would make movement of Sound and Light visitors from other parts of the City much more attractive.
6. There is considerable potential to develop the convention and special tour trade. I believe this is a significant factor.

The project requires a visionary approach which focuses on where we might wish to be in ten years time, rather than in twelve months time. I would hope that the Tourism Board has sufficient strength to take up that vision and drive the project forward.

Yours sincerely

Alan J. Birrell



cc: Dianne Smith