

General Council Meeting

Notice is hereby given pursuant to the provisions of the *Local Government Regulation 2012*, that the next Meeting of the Central Highlands Regional Council will be held in the **Council Chambers, 65 Egerton Street, Emerald** on

Wednesday, 13 May 2020

At 9.00am

For the purpose of considering the items included on the Agenda.

Scott Mason
Chief Executive Officer

LATE AGENDA

COUNCIL AGENDA



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1. DECISION ACTION

1.1. Transfer of Transport Infrastructure Development Scheme (TIDS) funding approx 20 mins

DECISION REPORT

Date: 13 May 2020 Presentation Duration: Approx. 20 minutes
To: General Council Meeting
Author: Tyrone Meredith, Acting Manager Infrastructure
Authorising Officer: Gerhard Joubert, General Manager Infrastructure and Utilities
File Reference: Nil
Presented for: Decision

ATTACHMENTS:

1. BBRRTG 2019-20 TIDS Program Financial Detail - March 2020 [1.1.1 - 1 page]
2. Queensland Transport and Roads Investment Program (QTRIP) 2019-20 to 2022-23 [1.1.2 - 1 page]
3. BBRRTG - DRAFT Works Program - Program Development 2020-21 to 2023-24 [1.1.3 - 1 page]

PURPOSE:

Council have received an urgent request from the Secretariat of the Bowen Basin Regional Roads and Transport Group (BBRRTG) to consider transfer of Transport Infrastructure Development Scheme (TIDS) funds of \$152,515, between Woorabinda Aboriginal Shire Council and Central Highlands Regional Council to ensure full expenditure can be achieved for the BBRRTG 2019/20 financial year.

In anticipation of the BBRRTG Board approval of the proposed transfer, Council is requested to accept the additional TIDS funding and commit to match the required 50% funding with budget from existing capital works projects within the 2019/20 capital works program. It is proposed to accommodate this by internal transfer within the approved Road Infrastructure Program.

If Council accepts the proposed transfer, the transfer is to be approved by the BBRRTG Board as matter of urgency, through recommendation by the Technical Group on Wednesday 13 May 2020.

OFFICER RECOMMENDATION:

That Council in anticipation of the Bowen Basin Regional Roads and Transport Group Board approval of the transfer of Transport Infrastructure Development Scheme funds of \$152,515, between Woorabinda Aboriginal Shire Council and Central Highlands Regional Council:

1. accepts the proposed transfer and
2. commits to match the required 50% funding with budget from existing capital works projects within the 2019/20 capital works program.

That Council approve the transfer of matching funds of \$152,515 from the Gravel Re-sheet – Gravel Supply project in the 2019/20 capital works program, subject to the above occurring, from the following three projects:

1. Cocklebinda Road - \$52,515
2. Redcliffe Road - \$50,000

3. Aroona Road - \$50,000

To the following two projects:

1. Malvern Road Pave and Seal Project - \$102,515
2. Wyuna Road Pave and Seal Project - \$50,000

REPORT:

Background

The Roads and Transport Alliance is a cooperative governance arrangement between the Department of Transport and Main Roads (DTMR), the Local Government Association of Queensland (LGAQ) and local governments to invest in and regionally manage the Queensland transport network. Established in 2002, the Roads and Transport Alliance was formed to jointly address shared road and transport challenges and deliver improved value from all available resources.

The objectives of the Roads and Transport Alliance are to:

- maximise the economic, social and environmental benefits of our joint investments
- achieve maximum efficiencies through collaboration and innovation in network planning, program development and delivery
- improve technical skills through training, technology and knowledge transfer
- optimise safety
- maximise the investment on the Queensland transport network.

The Bowen Basin Regional Roads and Transport Group (BBRRTG) is made up of the four councils of Banana Shire Council, Central Highlands Regional Council, Isaac Regional Council and Woorabinda Aboriginal Shire Council (WASC). Transport Infrastructure Development Scheme (TIDS) funds are allocated to the group each year for distribution as per the below table.

The BBRRTG TIDS funding for the 2019/20 financial year was allocated to projects as per the attached table which also shows actual expenditure to the end of March 2020. Details of future years funding allocation can be found in the Department of Transport and Main Roads "Queensland Transport and Roads Investment Program" (QTRIP) and the draft 2020/21 to 2023/24 program. The relevant extract of the QTRIP document and draft 2020/21 to 2023/24 program are attached to this report.

The BBRRTG is governed by a board of Councillors who provide advice and direction to the Technical committee to undertake projects and joint initiatives such as training and procurement.

Roads and Transport Alliance TIDS (2019-20) - March 2020

Regional Roads and Transport Group Summary

Regional Roads and Transport Group	No. of Projects	Allocation \$'000	2019-20 Budget \$'000	End of Financial Year (EOFY)			Year to Date (YTD)			Same Period Last FY %
				Forecast Expend \$'000	Forecast Under/Over Spend \$'000	Forecast vs Budget %	Actual Expend \$'000	Forecast Spent %	Budget Spent %	
Western Downs	7	2,645	2,645	2,805	160	106 %	2,418	86 %	91 %	39 %
Whitsunday	5	1,803	1,803	1,803	0	100 %	1,624	90 %	90 %	42 %
Brisbane Metro Alliance	11	2,042	2,042	2,040	(2)	100 %	1,627	80 %	80 %	89 %
Rockhampton	3	1,516	1,516	1,516	0	100 %	1,136	75 %	75 %	18 %
South West	19	6,646	6,746	6,754	8	100 %	4,459	66 %	66 %	61 %
Outback	17	6,211	6,161	6,457	296	105 %	4,071	63 %	66 %	68 %
Wide Bay / Burnett	51	6,746	6,742	6,732	(10)	100 %	4,263	63 %	63 %	66 %
North Queensland	19	3,361	3,361	3,214	(148)	96 %	2,004	62 %	60 %	74 %
North West Queensland	21	5,493	5,493	5,238	(255)	95 %	2,940	56 %	54 %	70 %
Eastern Downs	4	2,728	2,728	2,208	(520)	81 %	1,458	66 %	53 %	86 %
Northern SEQ	17	3,718	3,718	4,097	379	110 %	1,906	47 %	51 %	66 %
Far North Queensland	21	5,715	5,755	5,574	(181)	97 %	2,804	50 %	49 %	62 %
Scenic Valleys	9	2,171	2,171	2,059	(112)	95 %	945	46 %	44 %	71 %
Southern Border	14	2,199	2,199	2,228	29	101 %	787	35 %	36 %	60 %
Bowen Basin	12	4,479	4,479	4,457	(22)	100 %	1,367	31 %	31 %	44 %
Southern	9	2,690	2,690	1,768	(922)	66 %	726	41 %	27 %	35 %
Gladstone	3	1,038	1,038	450	(588)	43 %	205	46 %	20 %	65 %
Total	242	61,200	61,285	59,399	(1,886)	97 %	34,739	58 %	57 %	62 %

Discussion/Current issue

Due to COVID-19 and the associated restrictions imposed WASC were forced to enter a community lockdown. Therefore, they will be unable to deliver their TIDS project in 2019/20 program due to their contractor being unable to access the Blackboy Creek site on Bore 3 Road. They have \$100,000 RTA TIDS and \$52,515 ATSI TIDS allocated to this project in 2019/20.

Consequently, there would be \$152,515 available in 2019/20 to reassign to CHRC for projects identified in either 2019/20 or 2020/21. As per the agreement, the funds would need to be matched with \$152,515 of council funding, making a total of \$305,030 to expend. It is proposed that this matched funding would be transferred from savings on three gravel supply projects. These three projects are Cocklebinda Road (\$52,515), Redcliffe Road (\$50,000) and Aroona Road (\$50,000). These projects were to supply gravel for next year's re-sheet program (2020/21). Tendered rates for gravel supply were less than expected resulting in savings across the program. It is proposed that \$205,030 of additional funds be allocated to the Malvern Road Pave and Seal Project to be completed by 30 June 2020. This will allow additional pave and seal to be completed. This work has been designed and crews are established on site to continue. Further, it is proposed that \$100,000 be allocated to the Wyuna Road Pave and Seal project. This is a continuation of existing pave and seal works on Wyuna Road which currently has additional TIDS allocation in 2020/21. It is proposed that this be used for design and preparatory works.

WASC still wish to construct their project when restrictions are lifted so at this stage it is proposed that will be in 2020/21, therefore if CHRC accelerate the \$152,515 in expenditure from 2020/21 into 2019/20 it would be proposed that the same amount be transferred from the 2020/21 allocation to WASC. It is currently proposed that this allocation be taken from the Range Barranga Road project in 2020/21.

These proposed changes to the adopted TIDS Program are represented in the table below.

Project	Adopted TIDS Budget				Proposed TIDS Budget Changes			
	2019/20		2020/21		2019/20		2020/21	
	Council Funding	TIDS Funding	Council Funding	TIDS Funding	Council Funding	TIDS Funding	Council Funding	TIDS Funding
Cocklebinda Road	\$250,000		-		\$197,485			-
Redcliffe Road	\$250,000		-		\$200,000			-
Aroona Road	\$250,000		-		\$200,000			-
Malvern Road Pave & Seal	\$672,500	\$672,500	-		\$775,015	\$775,015		-
Wyuna Road Pave & Seal	-	-	\$750,000	\$750,000	\$50,000	\$50,000	\$597,485	\$597,485
Total	\$1,422,500	\$672,500	\$750,000	\$750,000	\$1,422,500	\$825,015	\$597,485	\$597,485

Approved TIDS remains the same over the two financial years and the above proposed changes results in a reduction in Council funding of \$152,515 over the two financial years.

CONSIDERATIONS / IMPLICATIONS:

Corporate/Operational Plan Reference/Policy/Legislation:

- 2. Building and Maintaining Quality Infrastructure;
- 2.1 - Corporate Plan Strategy: Well planned and connect communities
 - 2.1.1 - Develop and implement a robust Infrastructure Plan through effective long-term asset management practices.
 - 2.1.4 - Plan and deliver essential infrastructure that supports a sustainable future.
- 2.2 - Corporate Plan Strategy: Affordable and well serviced infrastructure
 - 2.2.2 - Develop a roads and transport strategy ensuring the efficient and effective use of resources.

Budget/Financial/Resourcing:

Increase of budget on the Malvern Road Pave and Seal project. Crews are still established on site and continue works on the project. Additional area has been designed. The crew involved was to commence other projects when the original scope was completed – this will not impact further capital delivery. Resourcing for the Wyuna Road project will primarily be contractors and consultants.

Communication/Engagement:

Consultation with other members of the BBRTG only. Further consultation will occur with the Wyuna Road users group to confirm location of proposed pave and seal.

Risk Assessment:

The following risks have been identified:

- Under delivery of funds through the BBRTG. Consistent under expenditure may lead to reallocation of future funds.
- Woorabinda may lose future funding the project on Bore 3 Road

Timings/Deadlines:

Originally crew on Malvern Road was to disestablish at the end of May. Decision required before disestablishment to ensure efficient expenditure of funds

Conflict of Interest Declaration:

Council officers contributing to the preparation and approval of this report have no conflicts of interest to declare.

Human Rights Impact:

No

Alternatives Considered:

	Description	Positives	Negatives
Option 2	Do not approve the transfer and	-	Risk of future funding be impacted.
Option 3	Investigate other Councils capacity to transfer the funds with WASC	No risk to Central Highlands Regional Council	

- END OF REPORT -

Bowen Basin Regional Roads and Transport Group Program Financial Detail (2019-20) - end of March 2020

Roads and Transport Alliance TIDS

TMR ID	Local Government	Project Name	2019-20 Budget (\$)	EoFY Forecast (\$)	Forecast vs Budget (%)	Year to Date Expend (\$)	Budget Spent (%)	Balance Remaining (\$)	Apr Forecast (\$)	May Forecast (\$)	Jun Forecast (\$)
371737	Banana Shire	Deearne Road (Cockatoo) undertake drainage, form, pave and seal works	500,000	500,000	100%	252,918	51%	247,082	133,970	113,112	0
1357890	Banana Shire	Jambin Dakenba Road, rehabilitation, widen and seal	425,000	425,000	100%	159,499	38%	265,501	100,000	165,501	0
342104	Banana Shire	Theodore - Moura Road, drainage works and pavement seal	230,000	208,324	91%	21,676	9%	208,324	56,648	50,000	80,000
8770	Banana Shire	Van Itallies Road, Valentine Plains, widen and overlay section	180,000	180,000	100%	12,211	7%	167,789	60,000	107,789	0
1357889	Banana Shire	Defence Road, Oxtrack Creek, bridge replacement	140,000	140,000	100%	2,356	2%	137,644	40,000	97,644	0
372482	Central Highlands Regional	Buckland Road (Nandowrie), pave and seal	672,500	672,500	100%	622,931	93%	49,570	49,570	0	0
768636	Central Highlands Regional	Malvern Road, pave and seal	672,500	672,500	100%	183,859	27%	488,641	200,000	288,641	0
9727	Central Highlands Regional	Capability and development, Technical Coordination	57,028	57,028	100%	0	0%	57,028	0	0	57,028
327414	Isaac Regional	Moranbah access road, asphalt overlay	102,000	102,000	100%	96,983	95%	5,017	0	0	5,017
327441	Isaac Regional	Mackenzie River - Capella Road, overlay and seal	650,000	650,000	100%	12,159	2%	637,841	0	0	637,841
1354046	Isaac Regional	Golden Mile Road 16.23 - 20.00km; rehabilitation and widening	750,000	750,000	100%	1,980	0%	748,020	0	0	748,020
1167083	Woorabinda Aboriginal Shire	Bore 3 Road, Blackboy Creek, upgrade culvert and approaches	100,000	100,000	100%	0	0%	100,000	0	0	100,000
			4,479,028	4,457,352	100%	1,366,572	31%	3,112,456	640,187	822,686	1,627,906

RRTG ATSI

TMR ID	Local Government	Project Name	2019-20 Budget (\$)	EoFY Forecast (\$)	Forecast vs Budget (%)	Year to Date Expend (\$)	Budget Spent (%)	Balance Remaining (\$)	Apr Forecast (\$)	May Forecast (\$)	Jun Forecast (\$)
1173230	Woorabinda Aboriginal Shire	Bore 3 Road; Blackboy Creek, upgrade culvert and approaches	52,515	52,515	100%	0	0%	52,515	0	0	52,515
			52,515	52,515	100%	0	0%	52,515	0	0	52,515

Local Network

Local government	Investment ID ^(a)	Category ^(a)	Investment name/Location	Location description	Indicative total cost ^(a) \$'000	Contributions			Estimated expenditure to 30 June 2019 \$'000	Approved		Indicative		Work description
						Local Government \$'000	Queensland Government \$'000	Australian Government \$'000		2019-20 \$'000	2020-21 \$'000	2021-22 to 2022-23 \$'000	Beyond \$'000	
Banana Shire	783846	LGCW	Barrett Street	Scoria Street - Kariboe Street	380	190	190		95	95			Construct cycleway/s	
	1167124	LGRD	Crowsdale Camboon Road	20.80 - 26.80km	574	287	287				287		Form and improve drainage	
	371737	LGRD	Deearne Road	1.75 - 5.75km	3,500	1,750	1,750		750	500	500		Form and pave	
	1095686 ⁽⁴⁾	LGRD	Dunn Street	Quarrie Road	775	387		387		387			Widen and seal	
	1167125	LGRD	Gibihi Road	6.90 - 12.60km	1,000	500	500				500		Reseal - bitumen chip	
	1167082	LGRD	Jambin - Goovigen Road	0 - 10.80km	450	225	225				225		Rehabilitate pavement	
	1178222	LGCW	Lawrence Street (design)	Pelham Street - Valley View Drive	27	14	14				7	7		Planning, design and program administration
	768336	LGRD	Shepherdsons Road	1.29 - 2.00km	680	340	340		90	250				Widen and seal
	342104	LGRD	Theodore - Moura Road	11.00 - 13.00km	2,901	1,451	1,451		951	500				Form and improve drainage
1133864 ⁽⁵⁾	LGRD	Theodore - Moura Road	Four Mile Creek floodway	405			405		405				Undertake safety improvements	
8770	LGRD	Van Itallies Road	0 - 1.40km	310	155	155					155		Widen and overlay	
Subtotal: Banana Shire										2,369	1,449			
Central Highlands Regional	372482	LGRD	Buckland Road	Various locations	1,345	673	673				673			Pave and seal
	768636	LGRD	Malvern Road	Various locations	1,345	673	673				673			Pave and seal
	1167126	LGRD	Range Baranga Road	Various locations	1,380	690	690					690		Pave and seal
	1185992	LGCW	Rifle Range Road shared path	Roberts Street / Opal Street intersection - Jeppesen Drive	957	478	478				239	239		Construct cycleway/s
	9538	LGRD	Wyuna Road	Sections : 4.47 - 11.00km	3,435	1,343	2,093		1,343			750		Pave and seal
Subtotal: Central Highlands Regional										1,585	1,679			
Gladstone Regional	1167079	LGRD	Awoonga Dam Road	Little Oak Creek crossing	250	125	125				125			Upgrade bridge/s
	1167080	LGRD	Blackman Gap Road	Sections : 13.98 - 19.56km	300	150	150				150			Undertake miscellaneous works
	1186590	LGCW	Blain Drive shared path (design)	Dawson Highway - Joe Joseph Drive	60	30	30				15	15		Planning, design and program administration
	755840	LGCW	Captain Cook Drive	Gladstone Regional Council Depot - Seventeen Seventy Marina	911	455	455		228		228			Construct cycleway/s
	1167078	LGRD	John Clifford Way	Hobble Creek bridge	500	250	250				250			Replace bridge/s
	1134004 ⁽⁶⁾	LGRD	Kirkwood Road	Dixon Drive	512			512			512			Improve intersection/s
	1167122	LGRD	Lowmead Road	Harper Creek	575	288	288					288		Upgrade floodway/s

2020/21 to 2023/24 Works Program Development

To Technical Committee Meeting - 19 February 2020

TOTAL Allocation 4,479,029 4,479,029 4,479,029 4,479,029
Balance v TOTAL 0 0 0 2,982,000

Roads & Transport Alliance TIDS

36,936,256 18,058,012 18,878,244 4,479,029 4,479,029 4,479,029 1,497,029

Local Government	TMR Investment ID	Road	Project Work Description	Location Details	Total \$	Contributions		Allocation Year (TIDS Contribution)				
						LG \$	TIDS \$	Prior to 2020/21	2020/21	2021/22	2022/23	2023/24
Banana	342104	Theodore-Moura Road	Rehabilitation, Widen & Seal	19/20 = 8.75 - 9.00, 11.48 - 11.85, 23.77 - 25.62 20/21 = 34.89 - 38.08 21/22 = 38.08 - 40.80 22/23 = 26.31 - 30.64	5,245,024	2,622,512	2,622,512	1,180,512	442,000	500,000	500,000	
Banana	371737	Deearne Road	Form, Drainage, Pavement & Seal	19/20 = 6.3 - 9.0 20/21 = 9.0 - 12.3 21/22 = 12.3 - 20.0 22/23 = 20.0 - 28.0	5,500,000	2,750,000	2,750,000	1,250,000	500,000	500,000	500,000	
Banana	1167125	Gibihi Road	Rehabilitation, Reseal	20/21 = 6.9 - 12.6	1,000,000	500,000	500,000		500,000			
Banana	1167124	Crowsdale Camboon Road	Form, Drainage, Gravel Resheet	21/22 = 18.5 - 24.0 22/23 = 24.0 - 29.8	2,000,000	1,000,000	1,000,000			500,000	500,000	
Central Highlands	9538	Wyuna Road	Pave and Seal	4.473 - 7.60, 7.60 - 11.00	3,711,000	1,855,500	1,855,500	1,105,500	750,000			
Central Highlands	1167126	Range Baranga Road	Pave and Seal	Sections	1,380,000	690,000	690,000		690,000			
Central Highlands		Capella Rubyvale Road			1,880,000	940,000	940,000			940,000		
Central Highlands		Arcadia Valley Road			1,000,000	500,000	500,000			500,000		
Central Highlands		Glenlee Road			1,440,000	720,000	720,000				720,000	
Central Highlands		Wyntoon Road			1,440,000	720,000	720,000				720,000	
Isaac	1098025	Saraji Road	Pavement Rehabilitation	0.0 - 43.1	1,580,000	790,000	790,000		790,000			
Isaac	1099036	Eaglefield Road	Pave and Seal, Drainage works	8.24 - 21.24	1,300,000	650,000	650,000		650,000			
Isaac	1527122	Pioneer Road	Pave and Seal, Drainage works	0.00 - 4.00	1,580,000	790,000	790,000			790,000		
Isaac	1527168	Valkyrie Road	Pave and Seal, Drainage works	38.18 - 44.18	1,300,000	650,000	650,000			650,000		
Isaac		Turrawalla Road	Pave and Seal, Drainage works		1,580,000	790,000	790,000				790,000	
Isaac		Clermont Dysart Road	Shoulder Widening, Pave and Seal		1,300,000	650,000	650,000				650,000	
Isaac		Golden Downs Road	Pave and Seal		1,300,000	650,000	650,000					650,000
Isaac		Golden Mile Road	Pave and Seal		1,580,000	790,000	790,000					790,000
Woorabinda	1167083	Bore 3 Road	Replace culvert & approaches	Blackboy Creek	135,000	0	135,000	100,000	35,000			
Woorabinda	768959	Carbine Street Service Road	Construct to seal standard		65,000	0	65,000		65,000			
Woorabinda		Unnamed Road (off Munns Drive past RFS Shed)	Construct to seal standard	Munns Drive to Builders Shed	42,000	0	42,000			42,000		
Woorabinda		Various Footpaths	Construct footpaths	Various Locations	42,000	0	42,000				42,000	
BBRRTG	9727	RRTG Funded	RRTG Technical Coordination		536,232	0	536,232	308,116	57,029	57,029	57,029	57,029

TOTAL Allocation 52,515 52,515 52,515 52,515
Balance v TOTAL 0 0 0 0

ATSI TIDS

262,575 0 262,575 52,515 52,515 52,515 52,515

Woorabinda	1173230	Bore 3 Road	Replace culvert & approaches	Blackboy Creek	52,515	0	52,515	52,515				
Woorabinda		Carbine Street Service Road	Construct to seal standard		52,515	0	52,515		52,515			
Woorabinda		Blackboy Road	Reseal	7.4 - 13.7 (Grid to Blackboy Station)	105,030	0	105,030			52,515	52,515	
Woorabinda	468723	5 Mile Road	Construct to Seal Standard	Munns Drive to ?	52,515	0	52,515					52,515
Woorabinda		Munns Drive (Northern Access)	Reseal	FDR - Town Entry Grid	0	0	0					
Woorabinda		Baralaba - Woorabinda Road (Southern Access)	Reseal	FDR - Town Entry Grid	0	0	0					

1.2. Capricorn Highway (Codewarra Road to Opal Street) Upgrade Business Case approx 20 mins

DECISION REPORT

Date: 13 May 2020 Presentation Duration: Approx. 20 minutes
To: General Council Meeting
Author: Kym Downey, Manager Project Development and Contract Delivery
Authorising Officer: Gerhard Joubert, General Manager Infrastructure and Utilities
File Reference: Nil
Presented for: Decision

ATTACHMENTS:

Nil

PURPOSE:

The purpose of this report is to:

- Provide Council with an update on progress of the *Capricorn Highway (Duaranga-Emerald) – Codewarra Road to Opal Street flood immunity traffic capacity and safety upgrade Business Case* project.
- Advise the tender evaluation outcome of the Request for Tender (RFT) 2020T068C - Capricorn Highway (Codewarra Road to Opal Street) Upgrade – Business Case.
- Endorse the Tender Evaluation Panel's recommendation to award Tender 2020T068C to AECOM Australia Pty Ltd for an adjusted value of \$1,167,644.08 (excl GST), subject to the following conditions being met:
 - Writing and seeking a commitment from the Department of Main Roads to increase their proposed funding commitment to match 50% of the full cost of the Business Case.
 - Council to confirm matching funding for the project during the 2020/21 Budget development.
 - Council seeking a tender validity extension from the successful tenderer till 31 July 2020 to allow budget approval to proceed.
- Recommend greater advocacy for the project after completion of the Business Case at all levels of government.

OFFICER RECOMMENDATION:

That Central Highlands Regional Council endorse the Tender Evaluation Panel's recommendation to award Tender 2020T068C to AECOM Australia Pty Ltd for an adjusted value of \$1,167,644.08 (excl GST), subject to the following conditions being met:

1. Written confirmation from the Department of Transport and Main Roads to increase their proposed funding commitment to match 50% of the full cost of the Business Case.
2. Confirmation of matching funding for the project during.
3. Acquisition of a tender validity extension from the successful tenderer to 31 July 2020 within Councils 2020/21 Budget.

REPORT:

Background

The *Capricorn Highway (Duaranga-Emerald) – Codenwarra Road to Opal Street flood immunity traffic capacity and safety upgrade* project involves infrastructure upgrades to improve safety, evacuation, flood immunity and traffic capacity on the Capricorn Highway between Codenwarra Road and Opal Street in Emerald.

Funds to progress the project through the business case phase of the Queensland Treasury Project Assessment Framework (PAF) were included in the 2019/2020 operational budget. This project initially had a \$1,500,000 expenditure allocation offset by \$1,000,000 revenue funded through the allocation of grant funding.

Council were advised that an application for funding through *Queensland Disaster Resilience Funding* was unsuccessful at the General Meeting of 13 August 2019. The officer’s report sought to defer the project until third party funding to the value of \$1,000,000 was secured. Council resolved “*That Central Highlands Regional Council defer the report until further information regarding contribution from the Department of Transport and Main Roads has been clarified.*” (2019 / 08 / 13 / 009).

Council has continued to progress this project through the Expressions of Interest (EOI) and Request for Tender (RFT) phases of procurement.

Discussion/Current issue

Award of Tender: 2020T068C - Capricorn Highway (Codenwarra Road to Opal Street) Upgrade – Business Case

Requests for tender were released on 31 January 2020 to the two (2) consulting firms shortlisted through the EOI phase of this project. The RFT for the project closed on 9 March 2020 and the following conforming responses and offers were received.

Tenderer	Tendered Price (excl. GST)	BC06 Price	BC21 Price	Adjusted Total (excl. GST)	Rank
AECOM Australia Pty Ltd	\$1,284,476.24	\$0	-\$116,832.16	\$1,167,644.08	2
GHD	\$1,021,709.00	-\$9,052	-\$44,182.00	\$967,475.00	1

During the price assessment, the evaluation panel chose to apply an adjustment to the tendered prices based on the removal of BC06 (Traffic Counting and Analysis) and BC21 (Survey) from the project scope. This adjustment does not affect the position of each tenderer in their base scoring positions.

As per the Conditions of Offer the following criteria was used to complete the assessment.

Evaluation Criteria	Weighting %
Price	70
Program	30

The assessment resulted in the following scores:

Tenderer	Price (70%)			Program (30%)	Total	Rank
	Base Score (35)	Additional (35)	Total			
AECOM Australia Pty Ltd	30	30	60	28	88	1
GHD	35	25	60	25	85	2

The tender assessment panel's recommendation is to award tender 2020T068C - Capricorn Highway (Codanwarra Road to Opal Street) Upgrade – Business Case to AECOM Australia Pty Ltd for an adjusted value of \$1,167,644.08 (excl GST).

Funding

Of the \$500,000 expenditure funds allocated to this project in 2019/2020 \$420,000 remains unspent.

As the cost to engage AECOM Australia Pty Ltd is \$1,167,644.08 plus costs to undertake required survey, there currently is a funding shortfall of \$870,000 (excluding contingency and the cost of project management).

The total cost for this project across two financial years, when 10% contingency and project management costs are included, is in the order of \$1,500,000.

Council is in receipt of a draft Funding Agreement from the Queensland Department of Transport and Main Roads (DTMR) advising of a commitment to provide up to \$500,000 toward funding this project on a 50/50 basis. The DTMR funding commitment was confirmed at the Vince Lester Bridge Steering Committee meeting of 5 May 2020. Council will still write DTMR seeking an increase in their matching funding to 50% of the Consultant Engagement Cost of \$1,300,000.

If the unspent portion of the current 2019/20 budget (funding) is included in the 2020/2021 budget an additional \$580,000 in council funds is required.

	Value
Expenditure	
Consultant Engagement	\$1,290,000
10% contingency	\$129,000
Project Management	\$80,000
Total Project Cost	\$1,499,000
Funding	
TMR	\$500,000
2019/2020 allocated funds	\$420,000
2021/2022 budget allocation	\$579,000
Total Funding	\$1,499,000

to be matched by Council

CONSIDERATIONS / IMPLICATIONS:

Corporate/Operational Plan Reference/Policy/Legislation:

- 2. Building and Maintaining Quality Infrastructure;
 - 2.1 - Corporate Plan Strategy: Well planned and connect communities
 - 2.2 - Corporate Plan Strategy: Affordable and well serviced infrastructure

- 4. Protecting our People and our Environment;
 - 4.1.3 - Implement initiatives for flood mitigation and to plan, prepare, respond, recover and build resilience from disasters for the communities of our region.

Budget/Financial/Resourcing:

The current budget allocation is not sufficient to progress this project through to completion. Council is required to commit the full project budget to allow award of the tender.

Council will write DTMR to seek and increase of their current funding commitment to match 50% of the current project budget.

Communication/Engagement:

Council and DTMR have met and discussed progressing this project on an as needed basis through the Vince Lester Bridge Steering Committee which operates under agreed Terms of Reference.

The Steering Committee members are as follows:

CHRC:

- Mayor
- Chief Executive Officer
- General Manager Infrastructure and Utilities

DTMR:

- Regional Director - Central Queensland
- District Director – Fitzroy District
- Manager Project Planning and Corridor Management – Fitzroy District

The raising of the Vince Lester Bridge estimated to cost \$150M, currently is part of Council's Advocacy suite of documents e.g. *7 Priority Projects for the 46th Parliament of Australia*. (October 2018). After completion of the Business Case, advocacy will be paramount to get the desired outcome.

Risk Assessment:

There is risk to Council's reputation if this project is not delivered.

If the Tender is not awarded the risk increases of exceeding the Tender validity period.

Timings/Deadlines:

Milestones as set out in the RFT documents specified 14 December 2020 as the date for receipt of the final PAF Business Case document. This timeframe cannot be met if the successful tenderer is not engaged this financial year (2019/20).

Conflict of Interest Declaration:

Council officers contributing to the preparation and approval of this report have no conflicts of interest to declare.

Human Rights Impact:

No

Alternatives Considered:

	Description	Positives	Negatives
Option 2	Defer project until additional third-party funding is sourced	Reduced council funding costs	- Completion of project will be delayed - Possible loss of DTMR funding commitment - Tender Validity will expire and RFT will have to be re-called at cost to Council
Option 3	Defer possible commitment to funding until consideration of 2020/2021 budget has commenced	Project can be assessed in line with budget procedures	- Completion of the project will be delayed - Possible loss of DTMR funding commitment - Tender Validity will expire and RFT will have to be re-called at cost to Council
Option 4	Do not progress the project any further	Return of unspent funds	- Project will not progress - Project will not be

			eligible for construction funding - Community benefits will not be realised - Loss of DTMR funding commitment
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- END OF REPORT -