



ORDINARY MEETING

AGENDA

21 JANUARY 2020

Your attendance is required at an Ordinary meeting of Council to be held in the Council Chambers, 4 Lagoon Place, Yeppoon on 21 January 2020 commencing at 9.00am for transaction of the enclosed business.

Brett Bacon
ACTING CHIEF EXECUTIVE OFFICER
16 January 2020

Next Meeting Date: 04.02.20

Please note:

In accordance with the *Local Government Regulation 2012*, please be advised that all discussion held during the meeting is recorded for the purpose of verifying the minutes. This will include any discussion involving a Councillor, staff member or a member of the public.

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1 OPENING

Acknowledgement of Country

"I would like to take this opportunity to respectfully acknowledge the Darumbal People. The traditional custodians and elders past, present and emerging of the land on which this meeting is taking place today."

2 ATTENDANCE

Members Present:

Mayor, Councillor Bill Ludwig (Chairperson)
Deputy Mayor, Councillor Nigel Hutton
Councillor Adam Belot
Councillor Pat Eastwood
Councillor Jan Kelly
Councillor Glenda Mather
Councillor Tom Wyatt

Officers in Attendance:

Mrs Chris Murdoch – Chief Executive Officer
Mr Brett Bacon – Executive Director Liveability and Wellbeing
Mr Dan Toon – Executive Director Infrastructure
Mrs Andrea Ellis – Chief Financial Officer
Mr Matthew Willcocks - Chief Technology Officer
Mrs Belinda Housman – Acting Chief Human Resources Officer

3 LEAVE OF ABSENCE / APOLOGIES

Nil

4 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

Minutes of the Ordinary Meeting held 3 December 2019

Minutes of the Special Meeting held 19 December 2019

5 DECLARATION OF INTEREST IN MATTERS ON THE AGENDA

6 PUBLIC FORUMS/DEPUTATIONS

Nil

7 BUSINESS ARISING OR OUTSTANDING FROM PREVIOUS MEETINGS

7.1 BUSINESS OUTSTANDING TABLE FOR ORDINARY COUNCIL MEETING

File No: GV13.4.1

Attachments: 1. **Business Outstanding Table**[↓](#)

Responsible Officer: Nicole Robertson - Coordinator Executive Support

SUMMARY

The Business Outstanding table is used as a tool to monitor outstanding items resolved at previous Council or Committee Meetings. The current Business Outstanding table for the Ordinary Council Meeting is presented for Councillors' information.

OFFICER'S RECOMMENDATION

THAT the Business Outstanding table for the Ordinary Council Meeting be received.

7.1 - BUSINESS OUTSTANDING TABLE FOR ORDINARY COUNCIL MEETING

Business Outstanding Table

Meeting Date: 21 January 2020

Attachment No: 1

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
1.	07 February 2017	Outstanding Policy Documents	<p>THAT the following policies be adopted:</p> <ol style="list-style-type: none"> 1. Encroachment on Public Land Policy; 2. Equal Employment Opportunity Policy; 3. Failure to Renew Licence Response Policy; 4. Telecommunications Facilities on Council Land Policy; and 5. Unlicensed Premises Response Policy. <p>With policies 4, 5 and 6 to be further reviewed.</p>	Governance Officer	31/01/20	<p>12 Jun 2019</p> <p>One Policy presented to Council Meeting for adoption in May 2019. Two policies remain outstanding.</p>
2.	17 July 2018	Draft Fig Tree Creek Masterplan	THAT Council endorse the Fig Tree Creek Master Plan for further public consultation and integration into the Council's Strategic Planning Framework.	Coordinator Natural Resource Management	31/01/20	<p>16 Jan 2020</p> <p>Received funding for a co-design project to involve the community in consultation and potentially some volunteering opportunities. The grant was an in-kind professional services offer from Healthy Land and Water. Officer to have meeting with Stakeholders and report will be forthcoming following that meeting.</p>
3.	18 September 2018	Opening of Road – Gunder Road, The Caves (C)	THAT Council authorise the Chief Executive Officer to commence negotiations with the owners of Lot 69 RP891987 to open new road as shown on Drawing No. 17-112-04.	Policy and Planning Officer	28/02/20	<p>15 Jan 2020</p> <p>Positive phone discussion with alternative landowner. Expect progress in about four weeks.</p>
4.	16 October 2018	Proposed Trustee Leases – Capricorn Tourism and Economic Development Limited and Keppel Coast Arts Council Inc.	<p>THAT Council resolve to:</p> <ol style="list-style-type: none"> 1. apply the exception mentioned in Section 236(1)(b)(ii) of the <i>Local Government Regulation 2012</i> to its dealings with Capricorn Tourism and Economic Development Limited and Keppel Coast Arts Council Incorporated for issue of Trustee Leases over land currently described as Lot 2 on Survey Plan 104438, Merv Anderson Park Yeppoon; and 2. provide Trustee Leases over land currently described Reserve for Recreation, Public Boat 	Property Officer	31/01/20	<p>11 Dec 2018</p> <p>Draft documents being prepared however execution of same cannot occur until the new title is registered over the land. Council is unable to proceed with this matter until notification of registration is received from DNRME.</p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			Ramp, Jetties and Landing Place over Lot 2 on Survey Plan 104438 to: a) Capricorn Tourism and Economic Development Limited for a term of 20 years for operation of the Capricorn Coast Visitor Information Centre and Shell World; and b) Keppel Coast Arts Council Incorporated for a term of 5 years for operation of the Artship.			
5.	16 October 2018	Potential Sale of Lots 2 and 3 - The Gateway Business and Industry Park	<p>THAT Council:</p> <ol style="list-style-type: none"> reconfirms its previous decision on 1 May 2018, to sell Lots 2 and 3, known as 3 and 5 Pineapple Drive, Hidden Valley, within Stage One of The Gateway Business and Industry Park, at the nominated offer and acknowledges the new entity (purchaser) listed in this report; confirms its preparedness to accept the option two payment terms and conditions for Lots 2 and 3, outlined in this report, and if deemed acceptable to the purchaser through further negotiation; confirms in lieu of discounting infrastructure charges, it would favourably consider entering into an infrastructure agreement for the deferred payment of infrastructure charges, in accordance with the general terms prescribed by Council's <i>Development Incentive Policy for Reconfiguring a Lot</i>, based on the terms outlined in this report; and if deemed acceptable to the purchaser through further negotiations; 	Executive Director Livability and Wellbeing	31/01/20	<p>16 Jan 2020</p> <p>Contracts have been signed. Settlement will take place in the 2019/2020 financial year.</p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			4. authorises the Chief Executive Officer to finalise negotiations with the purchaser, taking into consideration the terms and conditions outlined in this report, and execute a contract of sale for Lots 2 and 3, having due regard to the provisions for the disposal of non-current assets contained in the Queensland <i>Local Government Regulation 2012</i> and Livingstone Shire Council's Procurement Policy;			
6.	19 February 2019	Sale of 18 School Street, Mount Chalmers	<p>THAT Council resolves to:</p> <ol style="list-style-type: none"> 1. adopts a two stage Expression of Interest and Invitation to Tender process, in accordance with section 228(2)(b) of the <i>Local Government Regulation 2012</i>, for the sale of proposed Lot 10, known as 18 School Street, Mount Chalmers, acknowledging the reason for adopting the two-stage process is to gauge market interest and achieve the best possible outcome for Council and the Community; 2. delegate authority to the Chief Executive Officer to enter into negotiations with the potential purchasers subject to the CEO providing a briefing to the Council on completion of the first stage; and 3. write to the residents of Mt Chalmers and provide an update of the current status and planned actions. 	Project Support Officer	31/12/19	<p>16 January 2020</p> <p>Council engaged a Real Estate agent to undertake the Expression of Interest and Invitation to Tender process.</p> <p>At the Ordinary Council Meeting on Tuesday, 19 November 2019 it was resolved to place the Proposed Lot 10 on the open market.</p> <p>No further action required at this stage.</p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
7.	19 March 2019	Request for renewal of lease - the caves rural fire brigade	<p>THAT Council resolve:</p> <ol style="list-style-type: none"> 1. that the exception mentioned in Section 236(1)(b)(i) of the <i>Local Government Regulation 2012</i> may apply in its dealing with the State of Queensland (represented by Public Safety Business Agency) on behalf of The Caves Rural Fire Brigade over Lot 8 on Registered Plan 605788; and 2. to provide a twenty (20) year lease with one five-year option to the State of Queensland (represented by Public Safety Business Agency) on behalf of The Caves Rural Fire Brigade, at a nominal rent amount of \$1 per annum, over Lot 8 on Registered Plan 605788. 	Property Officer	31/12/19	<p>23 Aug 2019</p> <p><i>New lease agreement has been executed by both parties and registered in the Titles Registry.</i></p>
8.	01 April 2019	Palm Creek Park, Cawarral	THAT Council resolves to accept trusteeship of Reserve for Park and Environmental Purposes – Lot 7 on Survey Plan 167135.	Principal Property Officer	31/12/19	<p>11 Jun 2019</p> <p><i>Council has advised the Department of Natural Resources, Mines and Energy that it will accept trusteeship. Council is currently awaiting advice from the Department of Natural Resources, Mines and Energy on the progression of this matter.</i></p>
9.	01 April 2019	Recyclables Processing Service Contract (C)	That Council authorise the Chief Executive Officer to proceed in the manner as outlined within the report.	Manager Water and Waste Operations	31/01/20	<p>10 Dec 2019</p> <p><i>The draft of the Recyclables Processing Contract is coming into the final stages. Specification, schedules, conditions etc have been put together by Rockhampton Regional Council together with their Tender Contract team. Once they have finalised, they will send out to the four (4)</i></p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
						<i>Councils for review. This is to happen in the new year.</i>
10.	18 April 2019	Options for Tenancies – Centre of Excellence for Disaster Management, Innovation and Community Resilience (The Hub) (C)	<p>THAT Council resolve:</p> <ol style="list-style-type: none"> 1. As the exception mentioned in Section 236(1)(b)(i) of the <i>Local Government Regulation 2012</i> may apply in its dealing with the parties mentioned in the report on the lease of a tenancy on the first floor of the Centre of Excellence for Disaster Management, Innovation and Community Resilience (The Hub), Council authorises officers to proceed with those discussions and report back to Council prior to the execution of any lease; 2. Further, officers are authorised to proceed to tender on the provision of tenancies over all available space on the ground floor of the Centre of Excellence for Disaster Management, Innovation and Community Resilience (The Hub), and to engage an external probity officer to oversee the tender process and report back to Council prior to the execution of any lease; 3. Council commits to fund the installation within the Centre of Excellence for Disaster Management, Innovation and Community Resilience (The Hub) the following: <ol style="list-style-type: none"> (a) air conditioning, ceilings and lighting on the ground and first floors; (b) dividing walls between tenancies, if required, on the ground and first floors; and (c) external doors to any areas on the ground floor over which a lease is negotiated and which direct access does not currently exist. 	Principal Property Officer	31/12/19	<p>11 Jun 2019</p> <p><i>A response is still awaited on the proposal provided to prospective tenant for the front section of the first floor. Tender documentation currently being prepared for tenancies on the ground floor.</i></p>
11.	07/05/19	Proposed permanent road closure adjoining	<p>THAT Council resolve to:</p> <ol style="list-style-type: none"> 1. advise the owner of Lot 17 on LI58 that it does not support the proposal to permanently close 	Property Officer	31/12/19	17 Oct 2019

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
		Lot 17 on Crown Plan LI58	<p>the areas of road reserve adjoining Lot 17 known as Princhester Road and Atkinson Road; and</p> <p>2. authorise officers to investigate the temporary closure of the areas of road reserve adjoining Lot 17 known as Princhester Road and Atkinson Road.</p>			<p>On 4 September 2019, Council advised the owner of Lot 17 on Crown Plan LI58 that it will not be proceeding with a temporary road closure over the road reserve adjacent to the southern boundary of Lot 17 on LI58. Council further advised the owner of Lot 17 on LI58 that a temporary road closure over the road reserve adjacent to the western boundary of Lot 17 on LI58 would result in all traffic (including the owner of Lot 17) being prohibited from the area. Council sought advice from the owner of Lot 17 on LI58 as to whether they would like the application to close this area of road further assessed on this basis.</p>
12.	15/07/19	Proposed Freehold Lease To The Australian Volunteer Coast Guard Association Incorporated Over Part Of Lot 3 On Registered Plan 618778 - Mt Barmoya	<p>THAT Council resolve:</p> <p>1. that the exception mentioned in section 236(1)(b)(ii) of the <i>Local Government Regulation 2012</i> may apply in its dealing with The Australian Volunteer Coast Guard Association Incorporated over part of Lot 3 on Registered Plan 618778;</p> <p>2. pursuant to section 236(2) of the <i>Local Government Regulation 2012</i> to apply section 236(1)(b)(ii) of the <i>Local Government Regulation 2012</i> in its dealing with The Australian Volunteer Coast Guard Association Incorporated over part of Lot 3 on Registered Plan 618778; and</p> <p>3. to provide a ten (10) year lease to The Australian Volunteer Coast Guard Association</p>	Principal Property Officer	31/12/19	<p>23 Aug 2019</p> <p>Draft lease agreement has been prepared and forwarded to the Coast Guard.</p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			Incorporated, at a nominal rent amount of \$1 per annum, over part of Lot 3 on Registered Plan 618778.			
13.	06/08/19	Livingstone Planning Scheme 2018 - Proposed Second Amendment	<p>THAT Council resolve to:</p> <ol style="list-style-type: none"> 1. make amendments to the <i>Livingstone Planning Scheme 2018</i> in accordance with the changes identified in Attachment One; and 2. advance the amendments to the <i>Livingstone Planning Scheme 2018</i> in accordance with the <i>Planning Act 2016</i> and the <i>Minister's Guidelines and Rules July 2017</i>. 	Strategic Planning Officer	31/12/19	<p>16 Jan 2020</p> <p><i>Amendments to the Livingstone Planning Scheme 2018 are being advanced in accordance with the statutory requirements of the Planning Act 2016 and the Minister's Guidelines and Rules July 2017. Supporting material to support the amendment is near completion and the amendment will be progressed to the State in the near term.</i></p>
14.	13/08/19	Proposed Trusteeship of Reserve for Recreation, Public Boat Ramp, Jetties and Land Placing and Proposed Formalisation of Tenure Over Fig Tree Creek Jetty Sites (C)	<p>THAT Council resolve to:</p> <ol style="list-style-type: none"> 1) advise the Department of Natural Resources, Mines and Energy that it is prepared to accept sole trusteeship of the Reserve for Recreation, Public Boat Ramp, Jetties and Landing Place which will be described as Lot 12 on SP143269; and 2) authorise Council officers to continue negotiations in relation to the issue of a trustee lease to the Yeppoon Inlet Association over Part of the Reserve for Recreation, Public Boat Ramp, Jetties and Landing Place which will be described as Lot 12 on SP143269. 	Principal Property Officer	31/12/19	
15.	13/08/19	Queensland Government - Building Our Regions - Round 5	THAT Council resolve to submit applications to Round 5 of the Queensland Government Building Our Regions Program for the following projects in this priority order:	Executive Director Liveability and Wellbeing	31/12/19	19 Nov 2019

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
		(C)	1. Keppel Bay Sailing Club Convention Centre, noting no financial contribution will be required by Council. 2. Solar electricity generation and storage Construction Project at the Yeppoon Sewage Treatment Plant. 3. Planning Project to progress preliminary investigations for the Causeway Lake Revitalisation and Development Project.			<i>Application for Causeway Lake Revitalisation Project submitted 18 September 2019.</i>
16.	20/08/19	Acquisition of Land (C)	THAT Council resolve to: 1. resolves to proceed in accordance with Option One, as detailed in the body of this report; and 2. delegate to the Mayor and Chief Executive Officer to undertake the discussions in accordance with Option One with the matter to be referred back to Council for resolution.	<i>Executive Directive Liveability and Wellbeing</i>	31/01/20	16 Jan 2020 <i>Negotiations between parties progressing.</i>
17.	17/09/19	Management Arrangements – Keppel Sands Caravan Park (C)	THAT Council resolve: 1) to authorise Council officers to determine a remuneration framework which reflects the level of work involved in the management of the Keppel Sands Caravan Park and provides reward for effort; and 2) to authorise Council officers to invite expressions of interest from parties interested in becoming managers of the park. 3) Bring a report back to Council prior to new managers being engaged.	<i>Principal Property Officer</i>	31/12/19	16 Oct 2019 <i>A tender process is currently being undertaken for the Management of Keppel Sands Caravan Park. The tender is due to close on 30 October 2019.</i>
18.	17/09/19	Former Catholic Church Building – Marlborough (C)	THAT Council resolve: 1) to authorise Council officers to proceed to written tender for the sale of Lot 14 on Registered Plan 602167 and the building thereon on an 'as is where is' basis; and 2) further, if the written tender process for the sale of Lot 14 on Registered Plan 602167 and the building thereon is unsuccessful, authorise Council officers to proceed to written tender for	<i>Principal Property Officer</i>	31/12/19	16 Oct 2019 <i>A tender for the sale of the Marlborough Church and land will be undertaken by Council's panel of real estate agents once this panel has been established.</i>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			the lease of this property on an 'as is where is' basis.			
19.	17/09/19	Mobile Black Spot Program – Round 5 Funding (C)	THAT Council resolves to provide no offer for co-contribution to support the providers submission for blackspot funding for this round, however Council will be prepared to give in-kind support where possible.	Chief Technology Officer	31/12/19	
20.	05/11/19	Infrastructure Charges Resolution (No.4) 2019	THAT Council: 1. Adopt Infrastructure Charges Resolution (No.4) Livingstone Shire 2019 to commence on Monday 11 November 2019; 2. Notify development industry representatives directly of the new resolution; 3. Publicly notify the resolution and upload the resolution onto Council's website in accordance with the Planning Act 2016; and 4. Notify The Minister that the amended Infrastructure Charges Resolution has charges well below the maximum as stated in the State Planning Regulatory Provision (adopted charges).	Senior Strategic Planner	31/12/19	19 November 2019 The AICR4 is now on councils website and took effect from 11 November 2019.
21.	05/11/19	Resource Recovery Industry Development Program (RRIDP) Funding Application	THAT Council endorse the delivery of the Resource Recovery Centre project and the application for Round 2 RRIDP Stream One grant funding.	Manager Water and Waste Operations	31/12/19	10 December 2019 Application submitted by due date.
22.	05/11/19	Proposed Revocation of Reserve for Local Government (Quarry) (R946) over Lot 28 on Crown Plan 861679 at Keppel Sands	THAT Council resolve to advise the Department on Natural Resources, Mines and Energy that it offers no objection to the revocation of Reserve for Local Government (Quarry) (R946) over Lot 28 on Crown Plan 861679 at Keppel Sands and the amendment of the adjoining Reserve for Recreation (R547) to include Lot 28 on Crown Plan 861679.	Senior Property Officer	31/12/19	
23.	05/11/19	Consideration of In-Kind Support to the Yeppoon Inlet Association for the Removal of Unlawful	THAT Council resolve to: 1) provide in-kind support to the Yeppoon Inlet Association by waiving the waste disposal fees which would apply to the waste, excluding any asbestos, generated by the removal of all	Senior Property Officer	31/12/19	

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
		Structures and Improvements on Reserve Land Adjoining Fig Tree Creek	<p>unlawful structures on the reserve land adjoining Fig Tree Creek and Ross Creek, provided that the removal and disposal are undertaken by 5 November 2020 (being a twelve month period);</p> <p>2) provide in-kind support to the Yeppoon Inlet Association in relation to the removal of unlawful structures and improvements on the reserve land adjoining Fig Tree Creek and Ross Creek by way of guidance and advice from Council's Building Environment Unit to ensure that removal is undertaken in accordance with best practices and any services are disconnected appropriately; and</p> <p>3) that Council makes representation to the State Government into the possible waiving of waste levy charges as a gesture of good faith and facilitation of the process.</p>			
24.	05/11/19	Acquisition of Land (C)	THAT Council resolve to proceed in accordance with Option Three, as outlined in the body of the report.	Executive Director Liveability and Wellbeing	31/12/19	<p>16 January 2020</p> <p>Negotiations are ongoing in line with terms.</p>
25.	19/11/19	Petition Requesting a Recreational Arena in Yeppoon	THAT the petition requesting a recreational arena in Yeppoon be received.	Executive Director Liveability and Wellbeing	03/12/19	<p>05 Dec 2019</p> <p>Petitioner has declined invitation for deputation. CEO has requested that ED Liveability and Wellbeing progress request.</p>
26.	19/11/19	Mayoral Minute - CHARGES FOR DISASTER WASTE	<p>THAT Council resolves to</p> <ol style="list-style-type: none"> 1. waive the waste disposal charges at Yeppoon Landfill for waste that originates from residential and rural properties as a consequence of the recent fire activity; and 2. conduct a review of the situation in six months 	Executive Director Infrastructure	30/06/20	<p>15 Jan 2020</p> <p>Manager of Water and Waste Operations actioning waiving of relevant landfill fees and will conduct a review in six months.</p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
27.	19/11/19	Proposed Tourist Park at 176 Cobraball Road Bondoola	PROCEDURAL MOTION That pursuant to s2.19.1(d) and s2.19.6 of Livingstone Shire Council's Meeting Procedures Policy the matter lay on the table pending further discussion and to return to the future Council Meeting.	Principal Planning Officer	28/02/20	
28.	19/11/19	Request for fee and Infrastructure Charges to be waived for a Development Application for a Material Change of Use for a Club, Tourist park (two (2) cabins, five (5) dorms and eight (8) camping sites), Educational establishment and Caretaker's ac...	THAT Council: 1. Resolves to waive all application fees, infrastructure charges and any other related Council charges in respect to the proposed application. 2. Consider any future request to negotiate these charges, upon their merits, subject to a future resolution of Council.	Principal Planning Officer	28/02/20	16 January 2020 Fees have been discussed at Compliance Meeting and landowner will be advised re-calculated fees.

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments												
29.	19/11/19	Regional Arts Development Fund Round One 2019/2020	<p>THAT in accordance with the recommendation of the Livingstone Shire Regional Arts Development Fund Assessment Panel, the following grant applications be funded from the Regional Arts Development Fund.</p> <table><tr><th>Name</th><th>Purpose of Grant</th></tr><tr><td>Julie Barratt (IPD)</td><td>To attend an artist residency at the Arteles Creative Centre in Finland in March 2020 for professional and artistic development.</td></tr><tr><td>Kim Payne</td><td>To run the Sandy Krak Music, Arts & Conservations Festival</td></tr><tr><td>Yeppoon Little Theatre Group Inc</td><td>To host a six day intensive workshop for teenagers in the region.</td></tr><tr><td>Keppel Coast Blues & Music Club</td><td>To run a series of workshops to improve access and skill levels of both experienced and novice musicians.</td></tr><tr><td>Keppel Coast Arts</td><td>To establish a community based committee to assist with the management of the new art gallery spaces in Livingstone Shire.</td></tr></table>	Name	Purpose of Grant	Julie Barratt (IPD)	To attend an artist residency at the Arteles Creative Centre in Finland in March 2020 for professional and artistic development.	Kim Payne	To run the Sandy Krak Music, Arts & Conservations Festival	Yeppoon Little Theatre Group Inc	To host a six day intensive workshop for teenagers in the region.	Keppel Coast Blues & Music Club	To run a series of workshops to improve access and skill levels of both experienced and novice musicians.	Keppel Coast Arts	To establish a community based committee to assist with the management of the new art gallery spaces in Livingstone Shire.	Support Services Officer	03/12/2019	16 January 2020 All successful applicants notified
Name	Purpose of Grant																	
Julie Barratt (IPD)	To attend an artist residency at the Arteles Creative Centre in Finland in March 2020 for professional and artistic development.																	
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Keppel Coast Blues & Music Club	To run a series of workshops to improve access and skill levels of both experienced and novice musicians.																	
Keppel Coast Arts	To establish a community based committee to assist with the management of the new art gallery spaces in Livingstone Shire.																	
30.	19/11/19	Request for Council's views on future dealings relating to two term leases	THAT Council resolve to advise the Department of Natural Resources, Mines and Energy that:	Principal Property Officer	03/12/2019													

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			<p>1. it is not aware of any local non-indigenous cultural heritage values which the Department of Natural Resources, Mines and Energy should consider if an application is made for Term Lease 0/216476 at Yaamba and Term Lease 0/217224 at Bondoola to be converted to freehold;</p> <p>2. it does not have any objections that the Department of Natural Resources, Mines and Energy should consider if an application is made by the existing lessee of Term Lease 0/216476 over Lots 443, 444 and 445 on Crown Plan Y16911 at Yaamba for the lease to be converted to freehold or for the lease to be renewed;</p> <p>3. Lot 59 on Crown Plan LN1807 is the subject of an Application to Dedicate State Land as Road (Case ID: 2017/000680) and that Council objects to any action being undertaken in relation to Term Lease 0/217224 over Lot 59 on Crown Plan LN1807 until all actions associated with Case ID: 2017/000680 are finalised;</p> <p>4. it objects to the portion of Term Lease 0/217224 over Lot 59 on Crown Plan LN1807 which is located on the eastern side of Bondoola Road being converted to freehold tenure as it contains an endangered vegetation type, namely the unique Serpentine vegetation community. This vegetation is endemic to Livingstone Shire only and it is considered that the change of tenure will introduce a range of exempt clearing opportunities and accepted development clearing opportunities which will have a detrimental environmental impact on this small area of significant vegetation.</p> <p>5. it would not object to the portion of Term Lease 0/217224 over Lot 59 on Crown Plan LN1807</p>			

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			located on the western side of Bondoola Road being converted to freehold tenure, after all actions associated with the Application to Dedicate State Land as Road (Case ID: 2017/000680) are finalised. 6. it would not object to Term Lease 0/217224 over Lot 59 on Crown Plan LN1807 being renewed, after all actions associated with the Application to Dedicate State Land as Road (Case ID: 2017/000680) are finalised.			
31.	19/11/19	Request for Council's views on proposals relating to two grazing leases at Kunwarara	<p>THAT Council resolve to advise the Department of Natural Resources, Mines and Energy that:</p> <p>1) on expiry of the existing leases, Council, as trustee, would not be prepared to offer a trustee lease or trustee permit to the current lessees of Lot 36 on Crown Plan LBG40189 and Lot 33 on Crown Plan LI190; and</p> <p>2) Council would not object to the Department of Natural Resources, Mines and Energy granting new term leases to the existing lessees of Lot 36 on Crown Plan LBG40189 and Lot 33 on Crown Plan LI190.</p>	Principal Property Officer	03/12/19	
32.	19/11/19	Proposed tenure actions arising out of the expansion of the Shoalwater Bay training area	<p>THAT Council resolve to advise the Department of Natural Resources, Mines and Energy that it does not object to the proposed tenure actions contained in its letter dated 16 September 2019, arising out of the expansion of the Shoalwater Bay Training Area noting that:</p> <p>1. Department of Natural Resources, Mines and Energy have advised, based on initial investigations, all roads proposed for closure are unformed or currently only service properties that have now been acquired by Department of Defence.</p>	Principal Property Officer	03/12/2019	

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			<p>2. All existing formed roads required for ongoing public access to Charon Point Conservation Park, the township of Stanage Bay or adjoining properties will be retained.</p> <p>3. Roads to be retained include Stanage Bay Road, Kooltandra Road, Stoodleigh Road, Glenprairie Road and Bald Hills Road.</p> <p>4. There is no intention to close any roads that provide sole legal access to neighbouring land parcels, without a suitable alternative access being provided.</p>			
33.	19/11/19	Acquisition of Land for Road Purposes - Trunk Infrastructure T-100 Tanby / Chandler Roads Intersection and T-37 Chandler Road	THAT Council authorise the Chief Executive Officer to commence negotiations with the owner of Lot 9 RP613833 to open new road as shown on Drawing No 14-133-C-01.	Policy and Planning Officer	03/12/2019	<p>15 Jan 2020</p> <p>On 8 January 2020 - offer was made to landowner</p>
34.	19/11/19	Enquiry of The Gateway Business and Industry Park Proposed Lot 24	THAT Council resolve to provide a twelve-month non-exclusive Licence Agreement to the proponent, at a rental amount as prescribed under the non-exclusive Licence Agreement to, over part of Lot 5001 on Survey Plan 296924 at The Gateway Business and Industry Park.	Project Support Officer	03/12/2019	<p>16 Jan 2020</p> <p>Council has prepared the draft Licence Agreement for part of Lot 5001 on Survey Plan 296924 at The Gateway Business and Industry Park. It is anticipated that the Licence Agreement will be reviewed and executed over the coming months.</p>
35.	19/11/19	Potential Sale of 18 School Street, Mount Chalmers	THAT Council resolve to proceed generally in accordance with Option Two as outlined in the body of the report.	Project Support Officer	31/01/20	<p>16 Jan 2020</p> <p>Council engaged a Real Estate agent to undertake the Expression of Interest and Invitation to Tender process.</p> <p>At the Ordinary Council Meeting</p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
						<p>on Tuesday, 19 November 2019 it was resolved to place the Proposed Lot 10 on the open market.</p> <p>No further action required at this stage.</p>
36.	03/12/19	Petition Requesting Implementation of Traffic Safety Measures on Pacific Heights Road, Pacific Heights	<p>Council Resolution</p> <p>THAT the petition requesting the implementation of traffic safety measures on Pacific Heights Road, Pacific Heights Road be received.</p>	Executive Director Infrastructure Services	28/02/20	<p>15 Jan 2020</p> <p>Further traffic data to be collected before a further report is to be presented to Council in February 2020. Head petitioner advised by correspondence dated 23 December 2019.</p>
37.	03/12/19	Monthly Financial Report for the Period Ending 31 October 2019	<p>Council Resolution</p> <p>THAT the Livingstone Shire Council Monthly Financial Report for the period ending 31 October 2019 be received..</p>	Coordinator Accounting Services	17/12/19	
38.	03/12/19	Review of Caretaker Period Policy	<p>Council Resolution</p> <p>THAT Council resolve to adopt the amended Caretaker Period Policy.</p>	Coordinator Governance	17/12/19	
39.	03/12/19	Temporary Delegation for Development Application Decisions	<p>Council Resolution</p> <p>THAT</p> <p>1. Pursuant to section 257 of the Local Government Act 2009 Council resolves to delegate its powers as 'Assessment Manager' under the Sustainable Planning Act 2009 and Planning Act 2016 to the Chief Executive Officer for the period 4 December 2019 until 20 January 2020, both dates inclusive, subject to the following limitation: (1) The exercise of this delegation will only occur after</p>	Coordinator Development Assessment	17/12/2019	<p>16 January 2020</p> <p>The delegation afforded was not implemented to approve any applications. A memo to this effect will be prepared for councillors.</p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			obtaining written concurrence from the Mayor and Deputy Mayor (inclusive of an Acting Mayor or Acting Deputy Mayor). 2. A report be brought to the first Council Meeting in January 2020 detailing the exercise of these delegations.			
40.	03/12/19	LIVINGSTONE PLANNING SCHEME 2018 - PROPOSED PLANNING SCHEME AMENDMENTS	Council Resolution THAT Council resolve to: 1) Make amendments to the Livingstone Planning Scheme 2018 in accordance with the changes identified in Attachment 1; and 2) Advance the amendments to the Livingstone Planning Scheme 2018 in accordance with the Planning Act 2016 and the Minister's Guidelines and Rules July 2017.	Principal Strategic Planner	17/12/19	16 January 2020 Amendments to the Livingstone Planning Scheme 2018 are being advanced in accordance with the statutory requirements of the Planning Act 2016 and the Minister's Guidelines and Rules July 2017. Supporting material to support the amendment is near completion and the amendment will be progressed to the State in the near term.
41.	03/12/19	Notice of Motion - Councillor Glenda Mather - Light Spill	procedural motion That pursuant to s2.19.1(d) and s2.19.6 of Livingstone Shire Council's Meeting Procedures Policy the matter lay on the table pending a further inspection and to return to a future Council Meeting.	Dan Toon	17/12/19	16 Jan 2020 Inspection of street light occurred on Monday, 23 December 2019. Councillors Mather and Belot were in attendance.
42.	03/12/19	Notice of Motion - Councillor Adam Belot - Bangalee Beach Access Consultation.	PROCEDURAL MOTION That pursuant to s2.19.1(d) and s2.19.6 of Livingstone Shire Council's Meeting Procedures Policy the matter lay on the table pending further discussion and to return to a future Council Meeting.	Dan Toon	17/12/19	
43.	03/12/19	RESTAURANT LEASE - LIVINGSTONE SHIRE COUNCIL AND	Council Resolution THAT Council resolve to accept the amendments to the lease which pertains to the upstairs area of the	Principal Property Officer	17/12/19	

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
		THE ROCKS YEPPON PTY LTD	Lagoon Precinct building which is currently operated as a restaurant and an area on the ground floor of the building which is currently operated as a milk bar.			
44.	03/12/19	PROPOSED TRUSTEE LEASE TO NBN CO LIMITED OVER PART OF LOT 50 ON SURVEY PLAN 207050 - KEPPEL SANDS	<p>Council Resolution</p> <p>THAT Council resolve:</p> <p>1. that the exception mentioned in section 236(1)(c)(vi) of the Local Government Regulation 2012 may apply in its dealing with NBN Co Limited over part of Lot 50 on Survey Plan 207050 described as Lease N on Survey Plan 311429;</p> <p>2. pursuant to section 236(2) of the Local Government Regulation 2012 to apply section 236(1)(c)(vi) of the Local Government Regulation 2012 in its dealing with NBN Co Limited over part of Lot 50 on Survey Plan 207050 described as Lease N on Survey Plan 311429; and</p> <p>3. to provide a twenty (20) year lease to NBN Co Limited, at an initial rent which is yet to be determined but in accordance with Section 236 Subsection (3) of Local Government Regulation 2012 will be equal to, or more than, the market value of the interest in land, over Lease N on Survey Plan 311429.</p>	Principal Property Officer	17/12/19	<p>16 January 2020</p> <p><i>Negotiations with NBN Co on the terms of the Trustee Lease are close to finalisation. On completion of negotiations the draft lease agreement will be forwarded to the Department of Natural Resources, Mines and Energy for approval.</i></p>
45.	03/12/19	MANAGEMENT ARRANGEMENTS - KEPPEL SANDS CARAVAN PARK	<p>Council Resolution</p> <p>THAT Council resolve:</p> <p>1) to authorise Council Officers to undertake a further Invitation to Tender seeking submissions from parties interested in becoming managers of the Keppel Sands Caravan Park; and</p> <p>2) to delegate to the Chief Executive Officer, pursuant to section 257(1)(b) of the Local</p>	Principal Property Officer	17/12/19	<p>16 January 2020</p> <p><i>Invitation to Tender advertised on 14 December 2019 with a closure date of 22 January 2020.</i></p>

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			Government Act 2009, to appoint new managers for the Keppel Sands Caravan Park and the terms and conditions under which they are appointed.			
46.	03/12/19	Potential Sale of Council Land in Hidden Valley to an Adjoining Property Owner	<p>Council Resolution</p> <p>THAT Council resolve:</p> <p>1. that the exception mentioned in section 236(1)(c)(iv) of the Local Government Regulation 2012 may apply in its dealing over 4 Cassam Street, Hidden Valley described as Lot 11 on Survey Plan 220788;</p> <p>2. pursuant to section 236(2) of the Local Government Regulation 2012 to apply section 236(1)(c)(iv) of the Local Government Regulation 2012 in its dealing over 4 Cassam Street, Hidden Valley described as Lot 11 on Survey Plan 220788; and</p> <p>3. accept the offer outlined in this report for the sale of Lot 11 on Survey Plan 220788, delegating authority to the Chief Executive Officer to finalise negotiations with the purchaser and execute a contract of sale.</p>	Project Support Officer	17/12/2019	<p>16 Jan 2020</p> <p>Council accepted the offer presented for the sale of Lot 11 on Survey Plan 220788. A contract of sale was prepared in December 2019 and provided to the purchaser for execution.</p> <p>It is anticipated that settlement will occur in February 2020.</p>
47.	03/12/19	Works For Queensland 2019-21	<p>Council Resolution</p> <p>THAT Council resolve to proceed in accordance with option two, as detailed within the commentary section of this report.</p>	Executive Director Liveability and Wellbeing	17/12/2019	
48.	19/12/19	Redistribution of Budget Allocation Post-Bush Fires - Livingstone Community Grants	<p>Council Resolution</p> <p>THAT Council resolves to:</p> <p>1. Not proceed with round two (2019/20) of the Livingstone Community Grants;</p>	Principal Community Development and	02/01/2020	

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			<p>2. Redistribute the remaining budget allocation for the Livingstone Community Grants for the 2019/20 financial year equally between the rural fire brigades throughout the Livingstone Shire; and</p> <p>3. Redistribute the remaining budget allocation for the Mayor's Discretionary Fund equally to rural fire brigades throughout the Livingstone Shire.</p> <p>4. Council acknowledge the Livingstone Shire Council community partners, Invermess Yeppoon and Keppel Bay Sailing club for their agreement to join us by making their funds available to the Rural Fire Brigades as well.</p>	Engagement Officer		
49.	19/12/19	Monthly Financial Report for the Period Ending 30 November 2019	<p>Council Resolution</p> <p>THAT the Livingstone Shire Council Monthly Financial Report for the period ending 30 November 2019 be received.</p>	Coordinator Accounting Services	02/01/2020	
50.	19/12/19	Mayoral Minute - Land Zoning Review Kinka Beach	<p>Council Resolution</p> <p>PROCEDURAL MOTION</p> <p>That pursuant to s2.19.1(d) and s2.19.6 of Livingstone Shire Council's Meeting Procedures Policy the matter lay on the table pending further discussion and to return to a future Council Meeting.</p>	Manager Liveability	02/01/2020	
51.	19/12/19	Capricorn Coast Memorial Parkland Management	<p>Council Resolution</p> <p>THAT Council resolve to authorise Council officers to invite expressions of interest from parties interested in the provision and management of the following components of the Capricorn Coast Memorial Parkland:</p>	Manager Community Wellbeing	02/01/2020	

Item	Date	Report Title	Resolution	Responsible Officer	Due Date	Comments
			<p>(1) provision of burials and inurnment of ashes in accordance with the Capricorn Coast Memorial Parkland Landscape Key Plan 2: Burial Plot Layout, including:</p> <p>(a) using the modern burial system (crypt burial system) for formal lawn and informal lawn burials;</p> <p>(b) provision of ashes garden(s);</p> <p>(c) provision of columbarium(s); and</p> <p>(d) the establishment of a pet cemetery;</p> <p>(2) horticultural and general maintenance of the site;</p> <p>(3) general operation (including opening hours) of the site;</p> <p>(4) development of a chapel; and</p> <p>(5) development of a crematorium.</p>			

8 PRESENTATION OF PETITIONS

Nil

9 MAYORAL MINUTE

9.1 MAYORAL MINUTE - MARYVALE RURAL FIRE BRIGADE

File No: GV13.4.3

Attachments: 1. Letter received from Maryvale Rural Fire Brigade [↓](#)

Responsible Officer: Bill Ludwig - Mayor
Brett Bacon - Acting Chief Executive Officer

SUMMARY

A letter has been received from Secretary of the Maryvale Rural Fire Brigade, Margie Scott requesting a response to issues raised at its recent debrief held in response to the Cobraball fire. A reply has been sent acknowledging the letter.

The points raised in the debrief will be forwarded to Local Disaster Management Group to incorporate into the formulation of the proposed Local Disaster Management, Bushfire Mitigation and Long Term Strategic Plan.

RECOMMENDATION

THAT Council resolves to send the correspondence from the Maryvale Rural Fire Brigade (as contained within Attachment One) to the Livingstone Local Disaster Management Group to be included as an agenda item to be investigated through the Queensland Disaster Management Arrangements.

9.1 - MAYORAL MINUTE - MARYVALE RURAL FIRE BRIGADE

Letter received from Maryvale Rural Fire Brigade

Meeting Date: 21 January 2020

Attachment No: 1

MARYVALE RURAL FIRE BRIGADE

47 Evans Road
BUNGUNDARRA Qld 4703

6th December 2019

Livingstone Shire Council
PO Box 2292
YEPPOON Qld 4703

Dear Councilors,

Following our debrief meeting since the recent bushfire where issues were raised for fire mitigation plans we would like your response on the following. Please note that these issues not only effect our rural brigade but also the communities within the Barmoya and Bungundarra brigades as both those were included in our sector during the bushfires.

- 1) We have identified our one way in one way out area as having 2 evacuation routes - one via Mapes Road and the other via Ingreys/Greenlakes Road. We are aware that ongoing negotiations are being held with Greenlakes owners. Identifying these routes in the dark resulted in evacuees getting lost during the fires, and Mapes Road was really only conducive for 4WD only. Will council plans include having these roads signposted and maintained in a better condition for any further disasters?
- 2) What has LSC included in their fire plan for the quarry area on Paddy Swamp Road? This area is overgrown and we notice that council is dumping truckloads of vegetation matter there right now from the roadworks at Ingreys Road intersection which can only make the situation more volatile.
- 3) Is LSC going to review their procedures for clearing rural roadsides so that they can then become an essential firebreak? There are roads within our area whereby regrowth vegetation had been slashed but then left as dry fire fuel on the roadside. Also when the grader continually grades and flicks matter out onto the sides in a raised rill the adjacent landholder is then not able to slash or maintain their own roadside.
- 4) Is LSC installing multiple water fill outlets, (overhead standpipe or camlock) throughout the shire where possible for quick and easy access? During the fire our closest Norpine Road water point was inoperable so trucks had to travel back to Yeppoon to fill.
- 5) Under the Fire Act QFES does not have the authority to request absentee or underprepared landholders to implement some sort of fire control measurements to protect not only their own property but also neighbours. At present the only control at Rural Fire level is that the officer in charge may tag off a driveway onto private property and deem it unsafe for firefighting personnel and equipment. This however

1

does not help the adjoining neighbours if that land is overgrown and no fire mitigation plan has been implemented. Is it possible for the LSC to introduce some sort of bylaw at a local government level whereby landholders must instigate some sort of controls so that they do not pose an increased fire hazard for neighbours or become a safety issue for firefighters?

- 6) Following the increased numbers of rural developments in our area, what Fire Plans have been included in the subdivision applications?

These fires were devastating however we need to learn from this to be able to move forward. By creating a situation where our firefighters can quickly defend homes and property therefore allowing them to move forward faster to ultimately take control of these fires is an objective that we all need to share.

We look forward to your response to these matters. If any further details are required please do not hesitate to call our First Officer – Lyndie Scott 0427 764722.

Yours truly

10 COUNCILLOR/DELEGATE REPORTS

Nil

**11 AUDIT, RISK AND BUSINESS IMPROVEMENT COMMITTEE
 REPORTS**

Nil

12 REPORTS

12.1 GREAT KEPPEL ISLAND REVITALISATION PROJECT

File No: P-18-065

Attachments:

1. Great Keppel Island - MIPP Funding Application [↓](#)
2. Great Keppel Island Revitalisation Project - MIPP Funding Approval [↓](#)
3. Great Keppel Island Revitalisation Project - BOR Round 4 Application [↓](#)
4. Great Keppel Island Revitalisation Project - BOR Round 4 Approval [↓](#)

Responsible Officer: Brett Bacon - Executive Director Liveability and Wellbeing

Author: Dan Toon - Executive Director Infrastructure

SUMMARY

This report provides options for consideration and resolution by Council regarding the allocation of funding approved pursuant to the Queensland Government's Building Our Regions and Maturing the Infrastructure Pipeline Program funding streams.

RECOMMENDATION

That, in relation to current approved funding for provision of services to Great Keppel Island, Council resolve;

- (a) To allocate the Maturing the Infrastructure Pipeline Program Round 2 funding to detailed design tasks for the mainland water supply infrastructure and planning for the island water supply infrastructure in the first instance, and the balance to the Department of Innovation and Tourism Industry Development's project tasks.*
- (b) To advise the Department of State Development, Manufacturing, Infrastructure and Planning that Council is inclined to allocate the Building Our Regions Round 4 funding to construct the land based water supply infrastructure in the first instance with the balance available to fund elements of the reduced scope Department of Innovation and Tourism Industry Development project and that a final decision is pending confirmation of a development project proponent.*

BACKGROUND

Council is familiar with the general details of the Queensland Government project focused on assisting revitalisation of Great Keppel Island as a tourism development precinct by provision of electricity and water supply connections to the mainland, hence, there is no need to repeat the project scope in this report. The specific objective of the discussion precipitated by this report is to consider the allocation options for the current funding approvals awarded to Council as described below.

1. Maturing the Infrastructure Pipeline Program (MIPP2)
Approval dated 21 August 2018 for \$1,800,000 (including goods and services tax) to be applied to detailed planning and design with construction specifically excluded.
 2. Building Our Regions Program Round 4 (BOR4)
Approval dated 11 January 2019 for \$5,000,000 (excluding goods and services tax) to be applied to design and construction.
-

The applications and approval letters for each programme are included as attachments to this report.

COMMENTARY

The scope of the Queensland Government project, managed by the Department of Innovation and Tourism Industry Development, has recently been altered to exclude design and construction of any land based water supply infrastructure, without identifying whom would be responsible for meeting the cost for the excluded elements. The project team has expressed a view that the Maturing the Infrastructure Pipeline Programme Round Two and Building Our Regions Programme Round Four funding should be allocated solely to the retained elements regardless of the fact that the funding applications both included the now excluded elements. However, Livingstone Shire Council is the recipient of both approvals and can ultimately decide what elements of the project to allocate the funding towards. This position was recently confirmed via contact with an officer from the Department of State Development, Manufacturing, Infrastructure and Planning. The apparent options for each funding programme are set out below.

1. Maturing the Infrastructure Pipeline Program Round Two

The Maturing the Infrastructure Pipeline Programme Round Two funding can only be applied to planning, investigation and design tasks as the guidelines specifically exclude funding construction activities. The Department of Innovation and Tourism Industry Development's Project Team has identified a list of tasks related to the reduced scope of works that could be eligible. The cost of the eligible tasks would be ascertained by inviting quotations from suitably qualified providers with the value of contracts awarded capped by the total approved funding. A collaboration agreement between Livingstone Shire Council and the Department of Innovation and Tourism Industry Development has been negotiated for this purpose. Maturing the Infrastructure Pipeline Programme Round Two is close to finalisation. Due to the programme objectives, expenditure of the MIPP2 funding is less reliant upon a new proponent committing to development on the island.

The funding allocation options are;

- (a) Allocate the full amount to the tasks identified by the Department of Innovation and Tourism Industry Development for the reduced project scope.
- (b) Allocate the full amount to eligible tasks related to land based water supply infrastructure.
- (c) Allocate a portion of the funding to planning and design tasks for the mainland water supply infrastructure and the balance to the Department of Innovation and Tourism Industry Development's project tasks.
- (d) Council also has the option to advise the Department of State Development, Manufacturing, Infrastructure and Planning that the funding is declined.

2. Building Our Regions Programme Round Four

The Building Our Regions Programme Round Four funding is approved for design and construction activities and whilst an approval letter was received, the funding agreement has not progressed as the Department of State Development, Manufacturing, Infrastructure and Planning is understandably reticent to have expenditure commence before the development lease area is transferred to a new proponent with definite construction commitments and timeframes.

The funding allocation options are;

- (a) Advise the Department of State Development, Manufacturing, Infrastructure and Planning and the Department of Innovation and Tourism Industry Development that Council supports the full amount of the funding being allocated to the reduced scope Department of Innovation and Tourism Industry Development

project, on the proviso a competent proponent is confirmed and the balance of funding required for the project is identified by the Queensland Government.

- (b) Advise the Department of State Development, Manufacturing, Infrastructure and Planning that Council is inclined to direct the full amount of the funding to provision of land based water supply infrastructure with the first priority the mainland infrastructure, on the proviso a competent proponent is confirmed and the balance of funding required for the project is identified by the Queensland Government.
- (c) Advise the Department of State Development, Manufacturing, Infrastructure and Planning that Council is inclined to allocate the quantum of funding necessary to construct the mainland water supply infrastructure in the first instance with the balance available to fund elements of the reduced scope Department of Innovation and Tourism Industry Development project, on the proviso a competent proponent is confirmed and the balance of funding required for the project is identified by the Queensland Government.
- (d) Council also has the option to advise the Department of State Development, Manufacturing, Infrastructure and Planning that the funding is declined.

PREVIOUS DECISIONS

At the Ordinary Meeting of Council held 7 May 2019, the following resolution was adopted.

‘THAT Council resolve to adopt recommendations 1 and 2 contained in the conclusion section of this report and that the Project Team be advised accordingly.

Moved by: Deputy Mayor, Councillor Hutton

Seconded by: Councillor Eastwood

MOTION CARRIED UNANIMOUSLY’

The recommendations referred to in the resolution are:

1. *That Council reiterates previous advice that it has no interest in accepting ownership of the submarine pipeline in any circumstances and;*
2. *That Council will not accept ownership of the island water supply infrastructure if the firefighting service relies on pumps on the island and will only accept ownership if a single reservoir for stage one is constructed at an elevation of approximately 38m AHD.*

BUDGET IMPLICATIONS

The matters addressed in this report would have no direct budget implications.

LEGISLATIVE CONTEXT

There is no legislation pertinent to the consideration of this matter.

LEGAL IMPLICATIONS

There are no legal implications associated with the consideration of this matter.

STAFFING IMPLICATIONS

Council employee time would be utilised as in kind support.

RISK ASSESSMENT

The funding allocation options presented represent a low risk to Council.

CORPORATE/OPERATIONAL PLAN

Strategy EC1 of Council’s Corporate Plan states: *‘Identify and capitalise on economic opportunities for the benefit of the community.’*

LOCAL GOVERNMENT PRINCIPLES

The local government principles are –

- (a) *Transparent and effective processes, and decision-making in the public interest; and*
- (b) *Sustainable development and management of assets and infrastructure, and delivery of effective services; and*
- (c) *Democratic representation, social inclusion and meaningful community engagement; and*
- (d) *Good governance of, and by, local government; and*
- (e) *Ethical and legal behaviour of councillors and local government employees.*

CONCLUSION

The Great Keppel Island Revitalisation Project is crucial to kick starting sustainable development of tourism facilities on the island and Council has a role to play by supporting the provision of water supply infrastructure. Council has two approved Qld Government funding streams for the works and for the reasons detailed in the report above is required to make a decision regarding how to allocate the funds.

Given the different imperatives for the MIPP2 and BOR4 funding programs, they have been considered separately and the conclusions of this report are based on Council's desire to support the project whilst also ensuring the approved funding is allocated in the best interests of the Livingstone community.

The MIPP2 funding can be utilised in advance of a decision regarding a new proponent for the development project and the recommendation of this report is that a portion of the funding be allocated to detailed design tasks for the mainland water supply infrastructure and planning for the island water supply infrastructure, and the balance to the Department of Innovation and Tourism Industry Development's project tasks.

The BOR4 funding being committed for construction tasks is reliant on a competent proponent for the development being confirmed. Whilst Council could defer making a decision it may be beneficial to advise the Department of State Development, Manufacturing, Infrastructure and Planning that Council is inclined to allocate the quantum of funding necessary to construct the land based water supply infrastructure in the first instance with the balance available to fund elements of the reduced scope Department of Innovation and Tourism Industry Development project.

12.1 - GREAT KEPPEL ISLAND REVITALISATION PROJECT

Great Keppel Island - MIPP Funding Application

Meeting Date: 21 January 2020

Attachment No: 1

Maturing the Infrastructure Pipeline Program 2
Submission for business case and/or detailed design

Submitted by Livingstone Shire Council (Applicant)
13 April April 2018

Maturing the Infrastructure Pipeline Program 2 – Submission form for business case and/or detailed design

- 1 -

The following questions relate to submissions seeking funding for **business case and/or detailed design**

Key contact

Key contact	
Name	Dan Toon
Role	Executive Director Infrastructure Services
Phone	(07) 4913 5000
Email	dan.toon@livingstone.qld.gov.au

What is your proposed activity?

Details	
Name of Applicant	Livingstone Shire Council
Description (1-2 paragraphs)	<p>This application seeks funding for the Great Keppel Island (GKI) Revitalisation Project to undertake detailed design for the delivery of common-user power and water infrastructure for GKI (the Project).</p> <p>This work is required to inform the Queensland Government's commitment of \$25 million towards the costs of providing power and water to GKI. The Project is being delivered to provide a significant stimulus for crucial existing operations, and proposed tourism development projects, on GKI.</p> <p>Livingstone Shire Council (LSC) is partnering with the Queensland Government Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID) to deliver this project.</p>
Location	Yeppoon, Great Keppel Island
Geocode (latitude and longitude)	<p>Yeppoon Latitude: -23° 07' 36.59" S Longitude: 150° 44' 38.62" E</p> <p>Great Keppel Island Latitude: -23° 10' 18.00" S Longitude: 150° 57' 23.99" E</p>

Details	
Asset class (Tick as appropriate)	<input type="checkbox"/> Arts, Culture and Recreation <input type="checkbox"/> Cross-government <input type="checkbox"/> Digital <input type="checkbox"/> Education and Training <input checked="" type="checkbox"/> Energy <input type="checkbox"/> Health <input type="checkbox"/> Justice and Public Safety <input type="checkbox"/> Social Housing <input type="checkbox"/> Transport <input checked="" type="checkbox"/> Water <input type="checkbox"/> Other (please provide)

Background

Background	
How was the proposed infrastructure project identified as a priority for local government?	<p>Redevelopment of the GKI Resort has been a priority for council over the last decade. While there are a number of small businesses on the island, the main resort has been closed for a number of years, having a significant impact on the region's economy. The resort owner currently has State and local government approvals in place for the redevelopment.</p> <p>As the development on GKI currently stands, it remains an underutilised tourism asset that is unlikely to reach its potential without addressing some of the fundamental inhibitors for development investment. Given the importance of the project to the region and a lack of progress with redevelopment approved in March 2013, LSC approached the State Government in 2017 to commit funding which would provide a catalyst to support progress with the resort redevelopment.</p> <p>Consequently, the Queensland Government made a commitment to provide funds of up to \$25 million (GST Exclusive) towards the construction of water supply and electricity infrastructure, with a view this would stimulate progress on the resort development while also providing a catalyst for the development of further tourism opportunities in the island.</p>

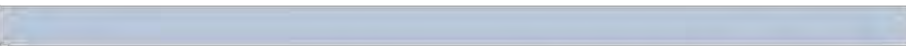
Background	
<p>How does the proposed infrastructure project meet strategic needs or priorities? Please include details of whether it:</p> <ul style="list-style-type: none"> - aligns with local, state or regional infrastructure priorities/ policies/ initiatives - addresses any issues identified through previous reviews or audits. 	<p>The Project is critical to ensuring communities and businesses are able to benefit from the potential economic development opportunities an operational resort on GKI will provide the region. Furthermore the provision of power and water will stimulate development opportunities in other areas of the island. Specifically, the delivery of power and water to GKI leading to the development the resort and new tourism experiences aligns with a range of strategic priorities across all levels of government including:</p> <ul style="list-style-type: none"> • the <i>State Infrastructure Plan</i>, with the Queensland Government's \$25 Million commitment being funded through the State Infrastructure Fund. • LSC's <i>Capricorn Coast Region Economic Development Plan</i> identifies the resort development as an aspirational project for the region and acknowledges that power and water from the mainland is critical to any prospects for major future development on the GKI. • the Queensland Government's <i>Advancing Tourism 2016-2020</i> acknowledges the importance of developing new and refreshed tourism products and experiences to attracting new and repeat visitors to Queensland. Advancing Queensland also acknowledges the role of cultural heritage tourism and its goals to improve Indigenous business capability and encourage tourism employment opportunities for Indigenous people • the <i>Advance Queensland: Connecting with Asia Strategy</i> which focuses on delivering new products and experiences aligned to Asian markets • the <i>Capricorn Destination Tourism Plan</i> provides the definitive direction for tourism and events in the Capricorn Region to 2020 and identifies the revitalisation of GKI as a Priority Project which will act as a catalyst to new investments in reef and island tourism products in the region. • the <i>Central Queensland Tourism Opportunity Plan 2009-2019</i> identifies the revitalisation of GKI as one of 16 Catalyst Projects which are of regional significance and will drive a range of other investment, marketing and product development opportunities. • the <i>Central Queensland Regional Plan</i> acknowledges the tourism potential of the region and the opportunity to build on this potential to ensure long-term economic sustainability, including through eco-tourism and Indigenous cultural heritage experiences. • employment and economic development outcomes from the Project will support the Queensland Government's <i>Reconciliation Action Plan</i> and Commonwealth Government's <i>Closing the Gap</i> initiative.
<p>What is the next stage of planning for the proposed infrastructure project? (i.e. what stage are you seeking funding for?) (Choose one)</p>	<p><input type="checkbox"/> Business case <input checked="" type="checkbox"/> Detailed Design</p>

Background	
<p>Please provide a summary of work completed to date, including key dates, and documented evidence of need and options analysis. (Relevant documents should be included as attachments)</p>	<p>The provision of power and water to GKI was considered and forms part of the approved resort development which was approved by the Coordinator-General on 2 March 2013 and by LSC on 17 May 2013. Copies of relevant power and water reports from the Environmental Impact Statement (EIS) are attached to support the application.</p> <p>Notwithstanding the investigations completed as part of the EIS, LSC is working closely with DITID who is leading further analysis to:</p> <ul style="list-style-type: none"> • understand the current demand profile as this has potentially changed from when this work was completed in 2011 • verify the preferred delivery option being direct connection to the mainland • test the assumptions underpinning the design works and options assessment. <p>This work will conclude in June 2018 when DITID will present detail around options for delivery of this project to LSC and then the Queensland Government. The Project is on a critical delivery path to meet the Government's commitment and detailed design will commence immediately after Options Report has been endorsed. LSC signed a Heads of Agreement with DITID on 26 February 2018 to outline each party's commitment to the Project. LSC and DITID have also established a Project Control Group as the key advisory body for the Project and are establishing a Stakeholder Advisory Group, given the level of stakeholder interest in this project.</p> <p>Council is not the lead agency for the provision of power and water to GKI and has made no financial commitment towards the project, nor any commitment to own the infrastructure in question, however, it is providing in-kind support.</p>
<p>Does the proposed infrastructure project impact on state government infrastructure, an existing infrastructure network, or a state government service? (Please confirm that you have consulted with relevant state agencies, and that they are supportive of this submission. Include contact details of state agency officers consulted)</p>	<p>The Project will connect into council's existing water network however the power supply is required to connect into the State Government's existing power network.</p> <p>Energy Queensland is supportive of the project and DITID has engaged Energy Queensland to undertake a planning report which reviews an earlier assessment of infrastructure needs and will provide an indication of the existing supply capacity within the system and network enhancements required to deliver power to GKI.</p> <p>The project contact within Energy Queensland is Sam Pocock - Connections Operations Manager, Connections Solutions, 07 3664 8505, sam.pocock@energyq.com.au</p>

Criteria

Criteria

<p>How does the proposed activity meet the submission criteria outlined on page 3 (three) of the MIPP 2 guidelines</p>	<p>How the proposed activity meets strategic needs and priorities</p> <p>The Project as a critical part of the resort redevelopment and potential driver of tourism growth is strongly aligned with strategic priorities for the region. The Project, and resort development more broadly are identified as a major priority or opportunity in a number of key documents as detailed below.</p> <p>Operators of island resorts face a number of unique challenges compared to those on the mainland, with operational costs of about three times that of mainland operators. Research conducted by PricewaterhouseCoopers into the extent to which various factors impact on the commercial viability of the entire Great Barrier Reef island resort market highlighted the challenges of providing essential services. The study found that essential services such as power, water and waste form approximately 25 per cent of operational costs of an Island resort. LSC's Capricorn Coast Region Economic Development Plan specifically acknowledges that power and water from the mainland is critical to any prospects for major future development on the island.</p> <p>The Economic Development Plan identifies the resort development as an aspirational project for the region and also acknowledges the importance of enhancing direct air links to the region, to mitigate the closure of Rockhampton during flooding events, and subsequent economic losses. The resort development plan includes a new airstrip which help provide greater access certainty to the region.</p> <p>The Capricorn Destination Tourism Plan identifies supporting the development of the GKI resort as a priority project.</p> <p>Development of the resort will also contribute to the Queensland Government's capacity to achieve the key strategic outcomes of <i>Advancing Tourism 2016-20 Growing Queensland Jobs</i>, and <i>Advancing Tourism in North Queensland 2016-20</i>, including:</p> <ul style="list-style-type: none"> • Grow quality products, events and experiences • Invest in infrastructure and access • Build a skilled workforce and business capabilities • Seize the opportunity in Asia <p>Power and water supply to GKI will also help stimulate new tourism opportunities on the Island, including providing potential for Traditional Owners to create new tourism businesses. As such, the Project also aligns with a number of initiatives aimed at creating opportunities for Indigenous people such as the Queensland Governments Reconciliation Action Plan and the Australian Government's Closing the Gap initiative.</p> <p>Whether the previous options analysis considered both infrastructure and non-infrastructure solutions</p> <p>The desired outcome can only be achieved through an infrastructure solution.</p> <p>How the project will contribute to economic growth and jobs, or enhance liveability</p> <p>GKI is widely recognised as having significant untapped potential to generate major growth in international and domestic visitor numbers</p>
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	<p>to the Capricorn Coast and Rockhampton Region. The realisation of this potential will create immediate direct and indirect employment opportunities on the Capricorn Coast and Rockhampton while providing a major and on-going economic driver for the broader Central Queensland region.</p> <p>The project will drive economic growth and jobs through both construction of the power and water infrastructure and construction of the resort. While there is no data available at this point in time on the employment and economic impact of the power and water supply project, providing a catalyst for the resort development itself will lead to an annual average 427 construction-related jobs (as per EIS).</p> <p>The EIS estimated over 1055 full-time, part-time and casual jobs would be created when the resort is fully operational. This estimate includes approximately 370 jobs on the mainland, located predominantly in Yeppoon and Rockhampton for supply of goods and services to the resort.</p> <p>Redevelopment of the resort will drive significant economic activity in the region through increased visitor expenditure and driving growth through the tourism supply chain. Once fully operational, the resort is expected to increase the gross regional product of the Fitzroy Region by \$75 million per annum.</p> <p>Importantly, the provision of power and water to GKI will stimulate further economic activity on the island. There is significant tourism potential on the island and the power and water supply along with the resort redevelopment, will create a positive environment for expansion and new business opportunities, including for the islands' existing business. Benefits will be realised across the tourism supply chain including new opportunities for locally sourced food, transport and other service providers, tourism products and experiences. The boost to tourism the resort and other developments will provide will increase drive tourism to the region and drive increased activity in sectors such as aviation and agriculture.</p> <p>The project will also enhance the liveability of the region for both island residents and those on the mainland.</p> <p>Currently there are fifteen businesses and fifty permanent residents on GKI. Water quality and the reliability of power supply currently presents significant challenges for island businesses and residents. Island users currently access power through diesel generators and solar generation systems. Access to potable water on the island is via rainwater harvesting and while there is a bore, the water quality is poor. Provision of mainland power and water connections will significantly increase liveability for island residents, providing a reliable, sustainable and affordable supply. This will also offset the need for significant investments in self-generating power, provide surety of supply for businesses looking to expand and also reduce the environmental and amenity impacts of diesel generators currently in use.</p> <p>Development of tourism on the island will also improve the liveability for mainland residents by providing a broader range of experiences and better facilities for residents visiting the island either overnight or as a day visitor.</p>
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	<p>Whether the project has the capacity to attract funding from outside the Queensland Government for the delivery stage</p> <p>The project has strong potential to attract funding from external sources including the Commonwealth Government and private sector. Given the economic and social benefits of the project to the Capricorn Coast region and Central Queensland more broadly, the Project has potential to attract funding from the Commonwealth Government, either through a competitive grant program such as the Regional Growth Fund or a non-competitive means. In this context, DITID has already engaged with the Northern Australia Investment Fund and Department of Infrastructure, Regional Development and Cities. The Project also has the potential to attract a funding commitment from the private sector such as the resort owner.</p> <p>The timeframes associated with the project, including whether there is an urgent need and whether the project will address a short, medium or long-term priority.</p> <p>As the project is a Queensland Government election commitment, delivery is on a time critical path to ensure the project is delivered during the current term of government.</p> <p>The project will address both short and medium term priorities. In the short term, power and water connections will support tourism development on GKI. Completion of the resort development is expected over the medium term, however project scheduling will also align with the development plan for the resort.</p> <p>Notwithstanding this, delivery of the project and completion of the resort development are major priorities with strong business and community sentiment around the lack of progress to date in the resort redevelopment.</p>
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Funding

Funding	
<p>What is the estimated cost of the next stage of planning? (i.e. how much funding is being sought?)</p>	<p>The estimated cost of the next stage of planning is \$1.8 million. Given the complexity of the project this stage will include three phases of design work across the four key areas of the project:</p> <ul style="list-style-type: none"> • Electrical • Hydraulic • Civil and balance of works • Marine and environmental. <p>Design phase costs have been applied at 7.5% of the total construction cost based on a construction industry standard of 7-10%.</p> <p>While this application seeks the total cost of the next stage, council is open to discussing the quantum of the request if required.</p>

Funding	
What is the total estimated cost of construction (if available)? <i>(If these estimates are available using P50 and P90, that should be noted here. A range can be provided if the scale of the project is unclear at this stage)</i>	Costs estimates for the project have not been determined at this point in time. P50 estimates are expected to be available in May 2018 with greater clarity around the costs to be informed through the proposed detailed design work. Notwithstanding this, analysis undertaken to date indicates that the total cost of the mainland power and water connection option will likely exceed the Queensland Government's \$25 million commitment.
Has an investment strategy been developed that would enable the proposed infrastructure project to proceed? <i>(If yes, please provide details)</i>	A detailed funding strategy will be presented as part of the Options Report to be considered by Government in June 2018. This will detail how the project will be funded and is expected to include the Queensland Government's \$25m commitment, funding sourced through competitive funding programs, commitments from the other levels of government or key stakeholders such as the developers.
Does the proposed infrastructure project have the capacity to attract funding from outside the Queensland Government? <i>(Please be specific and clearly identify funding sources. Clear differentiation should be made between Commonwealth, State and private sector funding. Also, please be clear about whether funding sources are subject to a competitive process)</i>	The project has the capacity of attracting additional funding. Potential funding sources are detailed below. <ul style="list-style-type: none"> discussions have already occurred with the Commonwealth Government and DITID/LSC are submitting an application for funding through the Commonwealth Government's Regional Growth Fund which is a competitive process. private sector such as the resort developers.
Are you seeking to recover the cost of additional resources required to undertake procurement and initiation activities?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, does your council have no more than 1,000 FTEs? Please attach evidence of this.	<input type="checkbox"/> Yes. Evidence attached <input type="checkbox"/> No

Potential solutions

Potential solutions	
Is there an identified solution? <i>(If yes, please provide details)</i>	Yes, the infrastructure solution has been identified and approved through the EIS and LSCs development approvals. The identified solution is to provide power and water from the mainland at Ritamada Road, Emu Park to GKI via a submarine connection.
Have alternate solutions been considered? If so, why are they not suitable?	As part of the current work program, alternative options are also re-evaluated concurrently to ensure the project delivers the most effective, value for money investment. Notwithstanding this, the key driver of the decision to provide direct connections to the mainland is driven by the importance of the resort having reliability of supply.

Potential solutions	
Is the proposed infrastructure project being addressed through another Queensland or Commonwealth government initiative?	<p>As part of the <i>Growing Tourism, Growing Tourism Jobs: Putting Queenslanders First</i> election policy, the Queensland Government committed \$25 million to support tourism development on Great Keppel Island through the establishment of a sustainable water and electricity supply.</p> <p>The project is not currently being addressed through any Commonwealth Government initiative however DITID is actively seeking funding from the Commonwealth Government towards the project.</p>

Benefits

Benefits	
What economic benefits will the proposed infrastructure project bring to the community (including enhancing economic growth, job creation)?	<p>The Project will deliver significant economic benefits to the region both via the provision of utilities to the island and the redevelopment of the resort, including supply chain growth for businesses servicing or supplying the island. These benefits include:</p> <ul style="list-style-type: none"> • expenditure and construction jobs associated with delivery of power and water connections • power and water connections stimulating new and expanded tourism business opportunities • once fully operational, the resort is expected to increase the gross regional product of the Fitzroy Region by \$75 million per annum • an annual average of 427 construction-related jobs for the resort re-development • over 1055 full-time, part-time and casual jobs would be created when the resort is fully operational, including approximately 370 jobs on the mainland.
How will the proposed infrastructure project contribute to the liveability of the community, and the broader local government area?	<p>The project will enhance the liveability of the region for both island and mainland residents.</p> <p>Water quality and the reliability of power supply currently present significant challenges for island businesses and residents. Provision of mainland power and water connections will significantly increase liveability for island residents, providing a reliable and cost effective supply. This will also offset the need for significant investments in self-generating power, provide surety of supply for businesses looking to expand and also reduce the environmental and amenity impacts of diesel generators.</p> <p>The development of tourism on the island will also improve the liveability for mainland residents through providing a broader range of experiences and better facilities for residents visiting the island either overnight or as a day visitor.</p>

Benefits	
<p>Will the proposed infrastructure project attract further investment in the region? (If yes, please describe)</p>	<p>The Project will play a key role in attracting further investment into the region.</p> <p>Given its scale, the resort development will be a catalyst to stimulate further investment in the region on a number of levels:</p> <ul style="list-style-type: none"> • investment in businesses that service and supply the resort like tour operators, fresh produce suppliers, transport providers and accommodation providers • the resort raising the profile of the region and stimulating visitor demand that creates new market opportunities for others looking to invest in tourism.

Acceptance

By submitting this application, the Applicant:

- warrants to the State that the information contained in this application is accurate and complete as at the date on which it is submitted and not by omission misleading, and may be relied on by the State in determining whether or not to select the Applicant for the MIPP 2
- undertakes to promptly advise the State if it becomes aware of any change in circumstances which causes the information contained in this application to become inaccurate or incomplete in a material respect
- acknowledges that the State will rely on the above warranty and undertaking when evaluating this application
- acknowledges that the State may elect to remove the Applicant at any stage as a result of material changes to the information presented in this application
- acknowledges that the State may suffer loss or damage if the Applicant breaches the above warranty and undertaking
- is taken to have accepted the MIPP 2 guidelines including the submission terms and conditions.

12.1 - GREAT KEPPEL ISLAND REVITALISATION PROJECT

Great Keppel Island Revitalisation Project - MIPP Funding Approval

Meeting Date: 21 January 2020

Attachment No: 2



Department of
**State Development,
Manufacturing,
Infrastructure and Planning**

Our ref: DGBN18/916

21 August 2018

Ms Chris Murdoch
Chief Executive Officer
Livingstone Shire Council
PO Box 2292
YEPPOON QLD 4703

Email: chris.murdoch@livingstone.qld.gov.au

Dear Ms Murdoch

Thank you for your interest in the second release of the Maturing the Infrastructure Pipeline Program (MIPP2).

The Honourable Cameron Dick MP, Minister for State Development, Manufacturing, Infrastructure and Planning recently wrote to the Mayor of Livingstone Shire Council advising of your successful submission(s) under the MIPP2:

- Great Keppel Island Revitalisation Project, Power and Water Infrastructure - Detailed Design which will be funded up to \$1,800,000.00 (including GST).

To formalise the allocation of MIPP2 funding from the Department of State Development, Manufacturing, Infrastructure and Planning (the department), a funding agreement has been prepared outlining the terms, conditions and obligations of funding, service delivery and accountability for both the department and your council. As per the program guidelines and the attached funding agreement, this grant funding is for the engagement of an appropriately qualified professional service provider to undertake the relevant work outlined in your successful submission.

All submissions were assessed against the submission criteria described in the Submission Guidelines sent to you in March 2018. As the program was heavily oversubscribed, funding levels were capped in accordance with the Submission Guidelines.

1 William Street
Brisbane QLD 4000
PO Box 15009 City East
Queensland 4002 Australia
Telephone +61 7 3452 7100
www.dsdmip.qld.gov.au
ABN 29 230 178 530

As such, I regret to inform you that your other submission was not successful:

- Pedestrian Connection between the Yeppoon Foreshore, Town Centre and Yeppoon Lagoon Precinct.

The department is available to provide feedback on these submissions, if required.

To assist with the development of this project, I have also advised relevant state government agencies of your successful submission under MIPP2 and encourage you to liaise with them.

The department looks forward to working with you. We will continue to support Queensland local governments to identify, plan for and build the infrastructure needed to support economic growth and liveability of our local communities into the future.

You are requested to sign and return the attached Funding Agreement by 5 September 2018 via email to mipp@dsdmip.qld.gov.au.

The key contact for your MIPP2 submission should also contact Mr Darren Nightingale, Director, Infrastructure Policy and Planning, in the department, on (07) 3452 7682 or by email at darren.nightingale@dsdmip.qld.gov.au to discuss and confirm any ongoing arrangements and activities under MIPP2.

Yours sincerely



Rachel Hunter
Director-General

Enc

12.1 - GREAT KEPPEL ISLAND REVITALISATION PROJECT

Great Keppel Island Revitalisation Project - BOR Round 4 Application

Meeting Date: 21 January 2020

Attachment No: 3

Building our Regions

Submitted on 07/09/2018 17:29

Building our Regions

Round 4

Business Case - BoR R04 LIVI 0037 - Great Keppel Island Revitalisation Project

APPLICANT DETAILS

Council

PROJECT DETAILS

Project title:

Project description:

Indicate which best describes the project:

Is this Project:

Specify other infrastructure type:

PROJECT CONTACT

Please provide a contact person from the council for correspondence and enquiries regarding this project and application for funding.

Title:

First name: Last name:

Position:

Phone:	07 4939 9854	Mobile:	0455 790 366	Fax:	
Email:	stuart.doak@livingstone.qld.gov.au				
Project manager's name:	Stuart Doak				

Other Contacts

Full Name	Position	Business Phone	Email
Rebbekah Hearn	Environmental/Cultural Heritage Manager	07 4931 1915	rebbekah.hearn@cqgroup.com.au
Sascha Kurz	Project Director	0405364449	sascha.kurz@ditid.qld.gov.au
Stuart Doak	Acting Manager Infrastructure Planning and Design	07 4939 9854	stuart.doak@livingstone.qld.gov.au
Terry Flynn	Construction Manager	0418742912	terryjohn.flynn@gmail.com

ESTIMATED PROJECT TIMEFRAME

Project start date:	05/12/2018	Project completion date:	30/06/2020
Construction commencement date:	01/07/2019		

Project Readiness

Please indicate which of the following documents have been attached as evidence that construction can be expected to commence during the required period.

Gantt chart showing the project's delivery:	Yes
Detailed project delivery/works schedule:	No

Please indicate if any additional documentation is attached to demonstrate the project's readiness.

Tender documents:	No
Professional designs (for tender or construction):	No
Other Documents:	Yes
Other (please specify):	Preliminary designs

What stage has the project reached at the time of application:	Other
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If the project is not ready to proceed to construction, please describe what action is being taken to ensure the project will be able to commence construction within the required timeframe:

The Project is currently pending consideration of a detailed business case and as such, has not been approved for construction at this point. Noting the Queensland Government's significant
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investment in the project and funding considerations, final approval to construct will require the approval of the Queensland Government. Notwithstanding this, the attached delivery programme sets out in detail the path to construction with commencement prior to 31 July 2019. The Project remains on a critical path to meet the project delivery milestones. Where appropriate, preparations are being made for the delivery stage to enable commencement as soon as project approval is provided. This includes preparatory work on design, specifications, environmental and other monitoring, procurement documentation & approvals. Key actions being undertaken to ensure commencement within the required timeframe include:

- Finalisation of the detailed business case for Queensland Government consideration. Packages of work to inform the business case include hydraulic and electrical design, economic analysis, cost estimates, cultural heritage engagement, stakeholder engagement, marine surveys & detailed construction methodologies
- Formation of a procurement management team, commencement of market sounding and refining a procurement management and project delivery approach
- Continuing to seek additional funding opportunities to support project optimisation.
- Working with GBRMPA to streamline and modernise the permit conditions in place for the infrastructure corridor
- Commencement of environmental monitoring which must be undertaken for a period of 12 months prior to construction. It is expected a decision to proceed with construction will come following consideration of the detailed business case which will be presented to the Queensland Government in September 2018.

PROJECT COSTINGS

Total estimated project cost (ex GST): \$62,425,400.00

Building our Regions funding sought (ex GST): \$5,000,000.00

Council's financial contribution (ex GST): \$0.00

Funding Category	Funding Contributor	Contribution Description	Amount (ex GST)	Funding Status	Funding Status Details
QLD Govt	Department of Innovation, Tourism Industry Development and the Commonwealth Games	Election Commitment	\$25,000,000.00	Confirmed	
QLD Govt	Department of State Development, Manufacturing, Infrastructure and Planning	Maturing the Infrastructure Pipeline Program	\$1,636,363.00	Confirmed	
Federal Govt	Department of Infrastructure, Regional Growth and Cities	Funding has been sought via the Regional Growth Fund	\$25,000,000.00	Not Confirmed	Announcement of whether the application has progressed to the business case stage is expected in mid 2018
Other	Funding to be confirmed	To be confirmed	\$5,789,037.00	Not Confirmed	

Total other funding contributions (ex GST): \$57,425,400.00

If financial contributions are not being made by other organisations, please describe any actions taken to attract financial contributions and any reasons why they are not available:

Currently the only other confirmed financial contributor to the project is the Queensland Government, with an EOI submitted to the Federal Government through the Regional Growth Fund.

Please detail any funding the Qld Govt has provided for any component of this project, incl earlier stages:

Section not required, detailed in other financial contributions section

In-kind Contributions

In-Kind Contribution Contributor	Contribution Description	Value (ex GST)	Funding Status	Status Details
Department of Environment and Science	Time/Resources	\$50,000.00	Confirmed	
Department of Natural Resources, Mines and Energy	Time/Resources	\$80,000.00	Confirmed	
Department of State Development, Manufacturing, Infrastructure and Planning	Time/Resources	\$50,000.00	Confirmed	
Livingstone Shire Council	Time/Resources	\$100,000.00	Confirmed	

Total in kind contributions:

\$280,000.00

Cost Breakdown

Cost Type	Cost Description	Program Funding Sought	Council Contribution	Other Funding Contributions	Total Cost
Building Escalation (if not included in quote)	Escalation - Procurement phase	\$0.00	\$0.00	\$51,200.00	\$51,200.00
Building Escalation (if not included in quote)	Escalation - Execution Phase	\$0.00	\$0.00	\$3,319,700.00	\$3,319,700.00
Construction Costs	A-01 Contractors Preliminaries	\$0.00	\$0.00	\$6,334,600.00	\$6,334,600.00
Construction Costs	As built & handover	\$0.00	\$0.00	\$228,400.00	\$228,400.00
Construction Costs	Commissioning	\$0.00	\$0.00	\$75,100.00	\$75,100.00
Construction Costs	Communications Towers and Data connections	\$0.00	\$0.00	\$376,300.00	\$376,300.00
Construction Costs	Construction Barge	\$0.00	\$0.00	\$1,520,900.00	\$1,520,900.00
Construction Costs	Contractors Design	\$0.00	\$0.00	\$2,682,800.00	\$2,682,800.00
Construction Costs	Electrical Infrastructure - Emu Park	\$0.00	\$0.00	\$1,469,900.00	\$1,469,900.00
Construction Costs	Electrical Infrastructure - GKI	\$0.00	\$0.00	\$4,178,500.00	\$4,178,500.00
Construction Costs	Hydraulic Infrastructure - Emu Park	\$500,000.00	\$0.00	\$492,400.00	\$992,400.00
Construction Costs	Hydraulic Infrastructure - GKI	\$2,000,000.00	\$0.00	\$4,718,700.00	\$6,718,700.00
Construction Costs	Submarine Cable installation	\$0.00	\$0.00	\$8,503,000.00	\$8,503,000.00
Construction Costs	Submarine Cable Supply	\$0.00	\$0.00	\$3,286,400.00	\$3,286,400.00
Construction Costs	Submarine Pipe Supply and installation	\$2,500,000.00	\$0.00	\$5,830,400.00	\$8,330,400.00
Contingency (allow max 15%)	Contingency	\$0.00	\$0.00	\$7,636,500.00	\$7,636,500.00
Other (please specify)	ECI Fee	\$0.00	\$0.00	\$150,000.00	\$150,000.00
Other (please specify)	Land Rental for Site compounds	\$0.00	\$0.00	\$100,000.00	\$100,000.00
Other (please specify)	Owners team	\$0.00	\$0.00	\$2,739,600.00	\$2,739,600.00
Other (please specify)	Surveys	\$0.00	\$0.00	\$1,392,000.00	\$1,392,000.00
Professional Fees	Consultants - Delivery phase	\$0.00	\$0.00	\$250,000.00	\$250,000.00
Professional Fees	Consultants - Supply Strategy Phase	\$0.00	\$0.00	\$975,000.00	\$975,000.00
Professional Fees	Cultural Heritage Fees and inspections	\$0.00	\$0.00	\$400,000.00	\$400,000.00
Professional Fees	Feasibility phase	\$0.00	\$0.00	\$564,000.00	\$564,000.00
Statutory Fees and	GBRMPA fees and	\$0.00	\$0.00	\$150,000.00	\$150,000.00

Charges	inspections				
How have the project costs been calculated or determined:	<p>Costs estimates are currently being compiled by the DITID team, which includes experienced infrastructure construction project management professionals, and is supported by current market feedback and preliminary design. The Preliminary Evaluation stage will provide a P50 (or greater) estimate in June 2018, with further clarity around the costs to be informed through the detailed business case, to be delivered following endorsement of the Options Report in June 2018. The detailed business case will come with a P90 estimate that will be endorsed by a quantity surveyor or equivalent. Notwithstanding this, analysis undertaken to date indicates that the total cost of the mainland power and water connection option will likely exceed the Queensland Government's \$25 million commitment.</p>				

PROJECT SITE DETAILS

Project Site Details

Street number/location name:	Haven Beach
Street name:	Haven Road
Town/suburb:	EMU PARK, QLD, 4710

Real Property description of the project site

Title Reference	Lot	County	Parish	Registered Plan
17659025	2	Livingstone	Yeppoon	LN2615, LN2704, LN2763, LN2763, LN2831, LN2832, 293747
30195197	28	Livingstone	Yeppoon	LN278
40068874	59	Livingstone	Yeppoon	268496
40068875	60	Livingstone	Yeppoon	268497
40068876	8	Livingstone	Yeppoon	129154, 293747
49018467	63	Livingstone	Keppel	268495
49020110	5	Livingstone	Keppel	620313
49100633	96	Livingstone	Keppel	910143
Latitude start	-23.073659	Latitude end	-23.101800	
Longitude start	150.443862	Longitude end	-23.101800	
State Electorates				
Keppel				
Federal Electorates				
Capricornia				

LAND OWNERSHIP

Who owns the land where the project will be located?

Queensland Govt

Given the nature and scale of the project, infrastructure will be sited on land owned or managed by multiple organisations. In addition to council land, the primary land owner is the Department of Natural Resources, Mines and Energy (DNRME). The attached map highlights land tenure for the project area however major land owners include:

If Crown Land, please specify the agency responsible

â€¢ For works on the mainland at Emu Park, land is either owned or managed by council or managed by the State through Energy Queensland. â€¢ The submarine cable will be installed on land owned by the State through DNRME. â€¢ Island side works are located on land managed by Council/owned by the State through DNRME. This includes leasehold land currently leased to Tower Holdings, however due to the current sale process there could potentially be a new leaseholder in the near future. â€¢ There are a number of privately owned parcels of land which are currently under consideration as potentially suitable sites during the construction phase. While a number of preferable sites have been identified, it is not known if they will be required until the design and construction methodology has been finalised. Engagement is underway with all owners to expedite the use of the land identified as required in the current project design, as shown in the attached map.

If other, provide details

If council does not own the land

(a) Does Council have control over the land? (e.g. crown reserve)

Yes

If yes please provide details and supporting documentation:

Council has control over some of the land required for the project on both the mainland and island side. This includes â€¢ Reserve where the reservoir is located on the mainland â€¢ Road reserve in the Haven Rd area. â€¢ Esplanade, road and utility reserves on Great Keppel Island. Other parcels of land in the project area are managed by the State through the Department of Natural Resources, Mines and Energy, including land currently leased to Tower Holdings.

(b) Does Council intend to acquire ownership or control over the land? (e.g. purchase, lease, be granted an easement)

No

Please provide details and supporting documentation:

There are no parcels of land where Council is seeking to acquire or seek control over. However there are a number of land parcels which the State, through DITD, will be seeking to acquire rights over. This includes excise Leasehold land on GKI within the current leased footprint.

(c) Has the owner approved the development on the proposed project site?

Yes

Please provide details and supporting documentation:

Development of the resort and the proposed infrastructure corridor was approved in 2013 as part of the approval package for the resort. However given the project is now being progressed separately to the resort development, operational works approvals will be required for the utilities corridor. Council has been working with DITD and other agencies regarding approval requirements which will be progressed through the State Assessment and Referral Agency.

Is there any third party interest in the land?

Yes

If yes please provide details and supporting documentation:

Some of the proposed works on the island side are located on leasehold land currently leased to Tower Holdings by the Department of Natural Resources, Mines and Energy (DNRME). This includes permanently locating ancillary infrastructure such as an electrical switchroom and compound, substations and a water reservoir. Advice provided by DNRME indicates this would be enacted through excision from the current GKI Resort lease and issue of separate lease to the State or another party. The attached DNRME advice provides detail around this and estimated annual lease

costs. Note that some of the property descriptions relate to proposed infrastructure that doesn't form part of the preferred mainland connection option such as the desalination plant. Given the substantial benefits of the project to the GKI Resort leaseholder, excising small parts of the lease for the siting of critical operational infrastructure is not expected to be an issue. Once approved for construction, DITID will work with DNRME to action the excision of leases. This will likely be able to be timed with the transfer of leases from Tower Holdings to a new owner in the event of a sale. The Queensland Government is working closely with Tower Holdings regarding the leasehold land and potential siting of infrastructure.

Are there any land issues (e.g. a road reserve, native title or strategic cropping land etc) that need to be addressed before construction can commence?

Yes

The significant geographical, environmental and cultural heritage considerations that influence the project are well understood, with the project being progressed closely with relevant approval and advisory bodies, to ensure the incorporation of these critical elements into the development of the delivery solution. Investigation into the implications of Native Title (NT) on the project have determined the project can be delivered without triggering native title issues. An assessment of the NT implications of the proposed works has been provided by Land and Native Title Services within the Department of Natural Resources, Mines and Energy. The Native Title Assessment found the proposed works will be in areas where NT has been already extinguished, is able to be delivered under the provisions of the Native Title Act or through existing ILUAs. As such there is no need to enter into any ILUAs and discussions with Traditional Owners will be focussed on cultural heritage management. A copy of the Assessment is attached. Engagement with both Woppaburra and Darumbal Traditional Owners was instigated by DITID in the initial stakeholder meetings. Woppaburra and Darumbal representatives have been instrumental in the consideration of the proposed concept plans for the utilities cable and the island / mainland interfaces. Both groups are members of the Project's Stakeholder Advisory Group (SAG) and have been consulted in regards to the protection of cultural and heritage values in the corridor through a commitment by DITID to enter into a CHMP Agreement with Woppaburra and Darumbal. Formal engagement with both Traditional Owner Groups for the development of CHMPs will commence once final approval is given for the Project to proceed. Designs are progressing for utilities to be installed within road reserve on both the mainland and the island, and the project team, including council, are working diligently to ensure relevant approvals are identified and managed (24).

If yes please provide details and supporting documentation:

The significant geographical, environmental and cultural heritage considerations that influence the project are well understood, with the project being progressed closely with relevant approval and advisory bodies, to ensure the incorporation of these critical elements into the development of the delivery solution. Investigation into the implications of Native Title (NT) on the project have determined the project can be delivered without triggering native title issues. An assessment of the NT implications of the proposed works has been provided by Land and Native Title Services within the Department of Natural Resources, Mines and Energy. The Native Title Assessment found the proposed works will be in areas where NT has been already extinguished, is able to be delivered under the provisions of the Native Title Act or through existing ILUAs. As such there is no need to enter into any ILUAs and discussions with Traditional Owners will be focussed on cultural heritage management. A copy of the Assessment is attached. Engagement with both Woppaburra and Darumbal Traditional Owners was instigated by DITID in the initial stakeholder meetings. Woppaburra and Darumbal representatives have been instrumental in the consideration of the proposed concept plans for the utilities cable and the island / mainland interfaces. Both groups are members of the Project's Stakeholder Advisory Group (SAG) and have been consulted in regards to the protection of cultural and heritage values in the corridor through a commitment by DITID to enter into a CHMP Agreement with Woppaburra and Darumbal. Formal engagement with both Traditional Owner Groups for the development of CHMPs will commence once final approval is given for the Project to proceed. Designs are progressing for utilities to be installed within road reserve on both the mainland and the island, and the project team, including council, are working diligently to ensure relevant approvals are identified and managed (24).

REGULATORY REQUIREMENTS

Please list all licences and/or development approvals required to deliver this project and indicate current status.

Licence Required / Development Approval Required	Regulatory Agency	Approval Status	Details
EPBC	Department of the Environment and Energy	Approved	Variation currently under consideration
GBRMPA Marine Park Permit	GBRMPA	Approved	GBRMPA is currently considering a request to vary numerous conditions of the permit and an alternative corridor. A decision is expected in the coming months.
Operational Works Permit	Livingstone Shire Council	Not Approved	To be progressed following consideration of business case
State Marine Park Permit	Department of Environment and Science	Not Approved	To be progressed following consideration of business case

RESPONSE TO CRITERIA

1. What is the opportunity or need to be addressed and the consequences for the local economy if action is not taken?

Describe the opportunity or need for the project, the specific economic circumstances that created them, and the consequences if action is not taken. Include quantitative and qualitative information and attach evidence to demonstrate the significance of the opportunity or need.

The Project provides an opportunity to address some of the unique challenges faced by Great Barrier Reef (GBR) Island resorts and pilot a targeted intervention to rejuvenate Great Keppel Island (GKI) to grow tourism and the economy of the Southern Great Barrier Reef (SGBR) region.

Tourism is important to the Australian economy, contributing 3.2% of national GDP and in 2016/17, grew faster than the national economy. The industry is a key employment generator in Queensland and supports 12,400 jobs across the SGBR, or 8% of employment in the region. Tourism in SGBR's contribution to Gross Regional Product is 4.7%, higher than its 3.2% contribution to National GDP, demonstrating its importance to the region. (1 & 2).

GBR island resorts are a key point of difference for the Queensland tourism offering, however many are closed. GKI Resort remains closed, with no construction works planned, despite having approvals for a revitalisation plan since 2013. The resorts closure has a significant impact on the region's economy, with island tourism sustained locally by a number of small businesses. Challenges facing GKI are not unique, and represent systemic issues facing island resorts as detailed in reports by Jones Lang LaSalle (3) and PriceWaterhouseCoopers (PWC) (4). The PWC Study of Great Barrier Reef Island Resorts found over 40% (12 of 27) resorts were closed and demonstrated the need for action based on:

• Damage to the global reputation of the GBR

• Australia's share of the global tourism market has been shrinking and length of stay in Queensland is declining

• Queensland has been losing market share to other Australian jurisdictions with a marked decrease since peaking at 37% in 2005

• The cost of utilities is prohibitive to resort operators for example, the cost of utilities for GBR Island Resorts is roughly 25% of total operational costs, compared to a 7% industry standard

• Capital investment challenges are hindering the prospects of the re-opening of closed resorts.

Given the importance of the reef and GBR islands to Queensland's tourism identity, there is an undeniable case for action to enable GBR Island Resorts to better contribute to the reef economy, including reducing impediments that lead to market failure and encouraging viable investment and development. GKI presents an ideal case to pilot an intervention given the resorts existing

redevelopment plans and potential to drive economic and social benefits.

Responding to the demonstrated need, the service requirements include:

- â€¢ Reducing the restrictive costs of power and water supply and addressing unreliable telecommunications
- â€¢ Meeting projected demand for power and water whilst not limiting future expansion or use of sustainable technologies
- â€¢ Being a catalyst to encourage additional private sector investment
- â€¢ Expanding GKI's ability to increase accommodation, resulting in increased visitation and expenditure.

This will be achieved through the GKI Rejuvenation Project, supported by a suite of policy and program interventions delivered through a Queensland Government Island Resorts Working Group.

In the absence of this intervention, benefits which are unlikely to be realised include:

- â€¢ new and expanded tourism business opportunities which increase visitation nights, including re-development of the GKI resort
- â€¢ Increased employment opportunities associated with delivery of power and water connections and operations, including indigenous and local employment
- â€¢ reduced burden of running costs for self-generating power and water supply
- â€¢ increased telecommunications capability with benefits in enhanced visitor communication, business operations, safety and research
- â€¢ reduced environmental and amenity impacts of diesel generators
- â€¢ improved attractiveness and liveability of the region through additional private investment in tourism infrastructure.

2. Describe stakeholder recognition of the opportunity or need. Describe the nature and level of their support for the project.

Identify project stakeholders (business/industry/community) and describe their understanding/recognition of the opportunity or need. Also describe their support for construction of the project and its location. Provide details about how they were consulted e.g. forums, reference groups, surveys.

The Project has attracted significant public and political interest given its importance to the region. There is widespread support for the project from tourism and economic development organisations, tourism operators, island residents and the business community. Provision of power and water to GKI and the redevelopment of the GKI Resort has strong support aligning with strategic priorities across all levels of Government(5-10):

- â€¢ Council's Capricorn Coast Region Economic Development Plan acknowledges power and water from the mainland is critical to any prospects for major future development on the GKI.
- â€¢ ICT Infrastructure delivered through the project will help meet the objectives of Council's Capricorn Coast Smart Region Strategy.
- â€¢ The Revitalisation of GKI is prioritised in the Capricorn Destination Tourism Plan and the Central Queensland Tourism Opportunity Plan 2009-2019
- â€¢ The Central Queensland Regional Plan acknowledges the tourism potential of the region and the opportunity to build on it to ensure long-term economic sustainability.
- â€¢ The Project is a priority for the Queensland Government forming a key election commitment. The project aligns with the State Infrastructure Plan and the State's \$25 million contribution is funded

through the State Infrastructure Fund.

â€¢ The Project also aligns with Queensland Government plans and priorities including Advancing Tourism 2016-2020 which highlights the need for new tourism products.

Discussions with residents and businesses indicate support for the Project having recognised the economic benefits to the region of seeing the resort redeveloped and other tourism opportunities that the project will enable(11).

Resident attitudes to tourism and future tourism development in Capricorn Region. The 2017 Capricorn Social Indicators (12) research showed sentiment towards tourism is more positive than the Queensland average. 72 per cent of residents would like their local area to attract more tourists.

Some community concerns have been raised in relation to the scale of the approved resort development and the lost economic benefits through the extended closure. These issues were addressed through the Resort development EIS or are not directly part of the scope of the power and water commitment and will be positively addressed through the project.

It is acknowledged some community members and island stakeholders have a preference for a renewable based solution, however the renewable solution has numerous disadvantages as detailed in the response to criteria 4. It is important to note that the project has a master plan for integration with renewable energy sources when further capacity is required.

Engagement with Darumbal and Woppaburra Traditional Owner groups, including the Woppaburra Land Trust has recognised the works will be undertaken in their traditional lands and the Project team is working closely with the TOâ€™s to develop Cultural Heritage Management Plans. The project is also seen to have potential opportunity to TOâ€™s in regards to employment.

A Communications and Stakeholder Engagement Plan has been developed to detail the approach to stakeholder engagement and communications (13). Engagement is being managed through a number of mechanisms:

â€¢ Regular monthly meetings with island residents and businesses

â€¢ A Project Control Group established to guide the project throughout the project lifecycle

â€¢ A Stakeholder Advisory Group.(Att 14).

â€¢ Project Update Newsletters

â€¢ CHMP development meetings and meeting with TOs

â€¢ One on one meetings with key stakeholders including residents, approval agencies such as GBRMPA, tourism and community groups

â€¢ Councilâ€™s community meetings series to occur later for this year .

3. Describe how the project will address the identified opportunity or need?

Explain the link between the project and the identified opportunity or need. Describe the scale of the projectâ€™s impact on the opportunity or need. Provide evidence to support your answer.

The Project will provide economic stimulus for current and future businesses, including the proposed resort, on GKI, leading to an increase in visitors to the region. Benefits across the tourism supply chain for agriculture, aviation, transport and other service providers, tourism products, hospitality and retail industries would also occur through this project.

The catalytic impact the resort and other tourism developments will have for the region's tourism industry will significantly increase the appeal of the region for residents, visitors, investors and the business community, driving economic growth and a vibrant community. It has been documented, that the likelihood of this occurring without the project, is extremely low due to the issues highlighted above. The island resort has been closed for 10 years and providing critical services to balance the scales for island resort operating costs has been identified as most likely to achieve the desired outcomes.

The benefits to be realised through this project include:

- The expedited development of the planned resort and other associated facilities on the island

- Increased tourism numbers to SGBR, length of stay and expenditure

- Greater investment in tourism assets in SGBR including GKI: Actions taken should be a catalyst for additional private sector investment in tourism assets on GKI

- Increased employment opportunities for construction and ongoing jobs for locals on GKI, including Indigenous employment

- Greater economic opportunities in the region: Actions will enable greater economic opportunities across the regions through the tourism supply chain

- Providing island residents and businesses with a reliable, sustainable and affordable power and water supply, offsetting the need for significant capital investment and running costs in self-generating services

- Critical digital connectivity which can support a range of outcomes including improved public safety and visitor services, reduced costs for proponents and businesses and providing an access point for the use of smart technologies

- Improved access to and liveability across the region.

Investment in water and power infrastructure creates economic opportunities for businesses involved in the feasibility assessments, design, engineering, and construction of the infrastructure, with employment gains initially concentrated in construction and maintenance related positions. Project estimates suggest 140 direct job opportunities will be generated as part of the construction and post construction phases of the Project.

More broadly, the resort development itself will have a significant impact on the regional economic and employment market. The 2011 Forecast Economic Impacts Report by Foresight Partners for the EIS showed very significant economic benefits stemming from the full development of the master plan. This Project focuses on the development of the 250-room resort, marina precinct and other infrastructure, with the remainder of the master plan to be developed at a later date. Given the significant time that has passed since the approval, it is clear that without this mainland connection the resort will not be built. In order to calculate the economic benefits stemming from the 250-room resort, it has been assumed that the resort will trade at 74.1% occupancy, 2.5 persons per room and 2.7 days average length of stay (based on the most recent information available from ABS and TRA). The resort will therefore attract 62,775 visitors to the region. Using the most recent data from TRA for the region, there will be 58,360 domestic overnight visitors and 4,415 international visitors. Using the most recent visitor expenditure data for the SGBR region, new visitors will generate \$33.3 million in new visitor expenditure for the region.

This level of expenditure will create:

- \$21.7 million in Gross Regional Product (\$11.9 million direct and \$9.8 million indirectly)

- 219 jobs (157 direct and 62 indirect).

4. Describe all options considered and why the project is the best option; or explain why other options were not considered.

Provide details of all other options considered (including non-infrastructure options) and why the proposed project is the best option, or why other options were not considered. Provide evidence to support your answer, e.g. options assessment.

GKI Resort has now been closed for 10 years. To date no Government has intervened, however it has become clear that the "do nothing" option is not working and intervention must occur.

The Project is being delivered in accordance with the Business Queensland, Business Case Development Framework and Queensland Treasury's (QT) Project Assessment Framework. An Options assessment was conducted in accordance with requirements of these decision making frameworks and feedback provided by QT.

Based on the service need and identification of stakeholder preferences, various technical options were considered for the supply of power and water to GKI. These options are summarised below, with details in the Calibre Hydraulic Report (16) and Calibre Renewables Report (17).

• Power and water provided via a submarine connection to mainland existing (including various options for upgrades to Ergon Energy's mainland network (low to high capacity) and with and without on-island ancillary infrastructure

• Power and water provided via an on island solar and battery installation & desalination plant (low and medium capacity)

• Power and water provided via an on island hydrogen, solar & battery installation & desalination plant (medium capacity)

• Wind turbine system on island

• Concentrated solar system on island

• Thermal storage system on island

• Hybrid solution of mainland connection and on island hydrogen, solar and battery installation

The above options were filtered, via high level and strategic alignment considerations to four options which were considered in more detail through an analysis of options which reviewed technical aspects, approvals, and environmental, cultural heritage and stakeholder considerations for all options. The four options identified for detailed consideration were:

1. On island stand-alone budget solution

2. Mainland connection (submarine) 2.5MW solution

3. On island stand-alone 2.5MW solution

4. Hybrid solution (mainland connection coupled with island based generation to provide ultimate demand load) Following detailed assessment of the technical, environmental, social and economic merits of these four options, an exercise to identify the most suitable option was developed, a high level multi-criteria analysis (MCA) was undertaken (18) with each criteria weighted equally and a list of pros and cons for each option was developed (20).

As detailed in the MCA, mainland connection is preferable for a number of reasons including:

• reliability of supply

• delivery timeframes

• value for money

• environmental impacts, avoiding the need to clear significant areas of land

• avoiding significant new approval processes

• capacity to deliver improved outcomes through including fibre optic capability in the electrical cable to support improved telecommunications on the island in the future

• greater resilience to natural disasters

â€¢ comparatively lower operations and maintenance costs

â€¢ potential to provide technical capability so renewable generation could be used to complement mainland power as demand on the island increases over the long term.

Furthermore, recent experience has shown that a mainland connection has been a proven solution for other islands. Anecdotal evidence shows island resorts, such as Hamilton Island, with a mainland power supply are more profitable and sustainable.

1. On island stand-alone budget solution was unsuitable due to:

â€¢ limited power and water capacity which would not provide the required stimulus for a resort and be inconsistent with the intent of the project

â€¢ new approval processes required

3. On island stand-alone solution was undesirable due to:

â€¢ higher cost comparative to the mainland connection option

â€¢ new approval processes required

â€¢ the need to clear significant areas of land

â€¢ high ongoing operations and maintenance costs.

4. Hybrid solution was undesirable due to:

â€¢ significant capital costs

â€¢ significant operations and maintenance costs

â€¢ environmental impacts.

5. Describe any ongoing partnerships with other organisations that will help achieve the long-term objectives of the project.

Include information about any partnerships with other organisations (e.g. industry, business, universities, etc) that council will be working with, such as operating the infrastructure or delivering services associated with the project. Provide evidence to support your answer, e.g. letters.

The Project is being undertaken by a team, of which Council is a part. The other members of the team are the Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID), the Department of Environment and Science (DES), the Department of Natural Resources, Mines and Energy (DNRME), the Department of State Development, Manufacturing and Planning (DSDMIP) and the Office of the Co-ordinator-General (OCG). The Queensland Government has an instrumental role in Project given the significant financial commitment the Queensland Government has made and the political commitment to see the benefits of this project realised for the Capricorn Coast Region.

The Queensland Government has committed \$25M through the State Infrastructure Fund and \$1.64M (Ex GST) through the Maturing Infrastructure Pipeline Program.

Council has entered into a partnership with DITID through a Heads of Agreement signed in February 2018 with Livingstone Shire Council having committed to playing a pro-active role in facilitating and providing technical support in any key areas where it has the expertise to assist in advancing the Project (Att 23). The Agreement outlines proposed operational arrangements and each organisations intent to develop the project. Appropriate governance structures and partnership arrangements will be put in place to support the project delivery phase.

The Project will also generate new cooperation and partnership agreements with Traditional Owners and the scientific community through the comprehensive pre-construction and ongoing environmental monitoring program. Research and monitoring activities will provide opportunities for Traditional Owners to inform and participate in the research and monitoring activities. This arrangement is expected to be formalised through the development of a Cultural Heritage Management Program with the Woppaburra People.

Discussions about ownership and operational arrangements for the infrastructure are ongoing at a senior level within Council, Energy Queensland and the Queensland Government. Appropriate contractual and partnership arrangements will be put in place once these have been determined.

Council and DITID acknowledge the long term objective of the Project is to see tourism development on Great Keppel Island. Once development plans and timing for the GKI Resort redevelopment become clearer, following the resort sales period, it will be important to take a holistic look at the development of tourism for the Island and the supply chain that supports it. Led by DITID, Council will work in partnership with Capricorn Enterprise, tourism operators, resort owners, government agencies, the business community, residents and other key stakeholders to formulate a long term development plan which articulates a shared vision for the Island and surrounding areas that captures a broad range of future tourism development opportunities.

While the pending sale of the GKI Resort creates some uncertainty at this point in time, once a new buyer is confirmed, council will also foster a strong partnership with the new owners of the resort.

6. Provide any other relevant information to support the project that has not been addressed elsewhere in the business case.

Use this response to provide additional information, including where response fields for other questions were not sufficient.

The owner of the GKI Resort and main island leaseholder, Tower Holdings, is currently in negotiations with a number of parties for the sale of the resort development and associated approvals. This follows an extensive global marketing campaign undertaken with brokers Knight Frank and JLL which drew strong interest from both international and domestic investors. Through this process potential buyers have highlighted the positive impact the Project is having on the attractiveness of the investment. This provides strong validation for the intervention to provide trunk infrastructure and the exponential benefits it will provide to the broader region.

Council acknowledges the ongoing sale process for the resort and the role of the Queensland Government in facilitating the investment going ahead, including providing approval for the transfer of the leases to a new owner and negotiating development milestones and timeframes.

This Project, being the provision of common user power and water to Great Keppel Island, forms part of a broader plan for the island, lead by the development of the GKI Resort. As a private sector project with approvals in place, the resort development is subject to a range of matters such as financing which are outside the immediate influence of council. Council and the Queensland Government are doing all they can to facilitate the development, including through the provision of power and water. There has been recent positive news regarding a sale, however were it not to eventuate the Project would still deliver direct benefits for existing users on the island and provide incentive for alternative tourism develop over the short, medium and long term.

Project arrangements

Council acknowledges the significant investment being made into the project by the Queensland Government and that the project is being undertaken by a team, of which Council is a part. The other members of the team are the Department of Innovation, Tourism Industry Development and the Commonwealth Games (DITID), the Department of Environment and Science (DES), the Department of Natural Resources, Mines and Energy (DNRME), the Department of State Development, Manufacturing and Planning and the Office of the Co-ordinator-General (OCG).

Council will not be making a direct financial commitment to the project. Council will contribute through the following in-kind support:

• applying for, and administering, grant funding for the project;

• provision of technical expertise where available and required (e.g. Council engineers to review the proposed design of the water supply infrastructure);

• provision of Council-owned land and infrastructure to facilitate the project (e.g. for the mainland connection to Council's water supply infrastructure).

Giving Council's contribution is in-kind, Council will not be able to resolve that it has budgeted to fund any shortfall in the project as required by page 16 of the program guidelines. However, the project team is committed to sourcing the required funding and delivering the project.

Council also acknowledges a final investment decision on the project will not be made by Council but that this will be made in consultation with all funding partners including the Queensland Government and potentially the Federal Government.

It should also be noted that ownership and maintenance arrangements for matters outside of Council's direct responsibilities like connection into the Energy Queensland's electricity network will be negotiated by DITID, but will form part of the overall project.

Please provide relevant details on key personnel below and attach copies of CVs.

Full Name	Date of Birth	Project Role	Key Skills
Stuart Doak		Project Manager	• Project Management roles with Council delivered projects • Long history working with LSC • RPEQ certified
Sascha Kurz		Project Director	• Project Management of large infrastructure projects • Intimate knowledge of the project as actively involved in current phases • Stakeholder & Approvals Management
Terry Flynn		Construction Manager	• Electrical engineering • Expertise in submarine cable installation in the Great Barrier Reef Region • Long history with the GKI project
Rebbekah Heam		Senior Environmental Scientist	Ecological surveys Impact assessment Environmental approvals Environmental Impact Statements (EIS), EPBC Referrals and Initial Advice Statements (IAS)

APPLICATION DOCUMENTS

Mandatory attachments

Project Gantt Chart or Detailed Delivery/Works Schedule showing timeframes for all project stages up to and including project completion

☐ Yes

If applicable: Letters from other contributors confirming financial or in-kind contributions

☐ Yes

☐

Detailed Project Plan (refer to template)	<input type="text" value="Yes"/>
Project Cash Flow (refer to template)	<input type="text" value="Yes"/>
Cost Benefit Analysis or Benefits Assessment (one required based on total project cost - refer to templates)	<input type="text" value="Yes"/>
<u>For Road Projects:</u> Letter of support from the Chair of Regional Road and Transport Group (RRTG) or a copy of RRTG minute stating that the project was considered, not funded, but is a priority for the region and worthy of funding	<input type="text" value="Yes"/>
CVs for all Key Personnel identified in the business case including the Project Manager	<input type="text" value="Yes"/>

Additional / Optional attachments

Additional documentation supporting project readiness such as detailed project costings, professional designs ('for tender' or 'for construction'), tender documents, etc	<input type="text" value="Yes"/>
Mapping files - for GIS spatial mapping purposes, please attach either an ESRI Shape File or MapInfo Tab File for this project site if available - please attach ALL file layers	<input type="text" value="Yes"/>
If building on land not owned or controlled by local government: supporting documentation demonstrating the current status of negotiations with the land owner	<input type="text" value="No"/>
If the local government will not own, operate and maintain the infrastructure: supporting documentation demonstrating the current status of negotiations with the proposed owner/operator	<input type="text" value="No"/>
Copies of all supporting documents referred to and relied on as evidence in the application form (unless web addresses/hyperlinks have been provided in the relevant response field)	<input type="text" value="Yes"/>

12.1 - GREAT KEPPEL ISLAND REVITALISATION PROJECT

Great Keppel Island Revitalisation Project - BOR Round 4 Approval

Meeting Date: 21 January 2020

Attachment No: 4



The Hon. Cameron Dick MP
Minister for State Development, Manufacturing,
Infrastructure and Planning

Our ref: MBN18/2515

11 January 2019

1 William Street
Brisbane QLD 4000
PO Box 15009 City East
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Telephone +61 7 3719 7200
Email statedevelopment@ministerial.qld.gov.au
www.dsdmip.qld.gov.au

Councillor Bill Ludwig
Mayor
Livingstone Shire Council
PO Box 2292
YEPPOON QLD 4703

Email: bill.ludwig@livingstone.qld.gov.au

Dear Councillor Ludwig

Thank you for your council's business cases for funding under Round 4 of the Queensland Government's Building our Regions program. I am pleased to inform you that the following projects have been successful:

- | | |
|--|-------------|
| • Great Keppel Island Revitalisation Project | \$5,000,000 |
| • Mill Gallery Expansion: Yeppoon | \$250,000 |

An officer from my department will be in contact with you soon to confirm the contractual arrangements required for the council to accept this funding.

I plan to announce all successful projects over the coming weeks and ask that you keep this advice confidential until notified by my department.

If you have any questions about my advice to you, please contact my office on (07) 3719 7200 or email statedevelopment@ministerial.qld.gov.au.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Cameron Dick", followed by a horizontal line.

CAMERON DICK MP
Minister for State Development, Manufacturing,
Infrastructure and Planning

13 QUESTIONS/STATEMENT/MOTIONS ON NOTICE FROM COUNCILLORS

Nil

14 URGENT BUSINESS/QUESTIONS

Urgent Business is a provision in the Agenda for members to raise questions or matters of a genuinely urgent or emergent nature, that are not a change to Council Policy and can not be delayed until the next scheduled Council or Committee Meeting.

15 CLOSED SESSION

In accordance with the provisions of section 275 of the *Local Government Regulation 2012*, a local government may resolve to close a meeting to the public to discuss confidential items, such that its Councillors or members consider it necessary to close the meeting.

RECOMMENDATION

THAT the meeting be closed to the public to discuss the following items, which are considered confidential in accordance with section 275 of the *Local Government Regulation 2012*, for the reasons indicated.

16.1 Water Consumption Matter

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

16.2 Kerr Park Public Art - Purchasing Policy Compliance

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by Council.

16.3 Paint Pot Gallery Accommodation

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by Council (Proposed lease to Capricorn Coast Society of Arts Incorporated).

16 CONFIDENTIAL REPORTS

16.1 WATER CONSUMPTION MATTER

File No: FM12.1.9

Attachments: 1. CLH Lawyers Letter of Advice

Responsible Officer: Andrea Ellis - Chief Financial Officer

Author: Priscilla Graham - Coordinator Revenue
Rodney Chapman - Coordinator Governance

This report is considered confidential in accordance with section 275(1)(h), of the *Local Government Regulation 2012*, as it contains information relating to other business for which a public discussion would be likely to prejudice the interests of the local government or someone else, or enable a person to gain a financial advantage.

SUMMARY

The purpose of this report is to obtain Council approval to provide the Chief Executive Officer delegated authority to negotiate on behalf of Council for settlement of the disputed outstanding water account.

16.2 KERR PARK PUBLIC ART - PURCHASING POLICY COMPLIANCE**File No:** P-17-100**Attachments:** 1. Kerr Park Emu Caricatures**Responsible Officer:** Brett Bacon - Executive Director Liveability and Wellbeing**Author:** Stuart Doak - Manager Infrastructure Projects

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by Council.

SUMMARY

The purpose of this report is to seek a resolution from Council to ensure compliance with Council's Purchasing Policy for the engagement of Bill Gannon as a sole supplier to design, fabricate and install public art, in the form of emu caricatures, as part of the Kerr Park redevelopment at Emu Park.

16.3 PAINT POT GALLERY ACCOMMODATION**File No:** CP5.9.2-264**Attachments:** Nil**Responsible Officer:** Mark McLean - Principal Property Officer
David Mazzaferri - Manager Community Wellbeing
Brett Bacon - Executive Director Liveability and Wellbeing**Author:** Maddie Crigan - Property Officer

This report is considered confidential in accordance with section 275(1)(e), of the *Local Government Regulation 2012*, as it contains information relating to contracts proposed to be made by Council (Proposed lease to Capricorn Coast Society of Arts Incorporated).

SUMMARY

This report provides information in relation to the provision of accommodation for the Paint Pot Gallery.

17 CLOSURE OF MEETING