

7.8. QUARTERLY CAPITAL WORKS REPORT

REPORT AUTHOR	Manager Infrastructure Planning and Delivery
EXECUTIVE	General Manager Infrastructure
DEPARTMENT	Infrastructure
TEAM	Infrastructure Planning and Delivery
DATE	25 August 2026

RECOMMENDATION

That Council receives and notes the progress of the Capital Works Program for the period April to June 2026.

EXECUTIVE SUMMARY

The purpose of this report is to provide a progress update on the capital works projects for the 2025-2026 financial year. The Capital works program for Quarter 4 achieved some significant milestones with the commencement of the Ferry Landside Infrastructure Project, completion of the park's renewal program and approximately 44 projects completed in the quarter.

Program acceleration in Q4 is reflective of a program that relies on the dry season for works to be undertaken. Progress was slower than anticipated due to an extended wet season, and challenges with contractor availability and complications with fuel surcharge delaying some contracts.

Council completed 66 projects for the year, with several multi-year projects continuing into the new financial year such as Landside Infrastructure, Mossman River Intake Project, NQRP funding projects and Strategic Land Purchases.

Some project budgets have been cancelled, such as pavement renewals and reseals, where renewal projects were not clearly identified in time for project expenditure. Delays were primarily due to waiting for further information about DRFA programs. These renewals will occur using budgets for the new financial year.

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

At the Ordinary Meeting held 31 March 2026, Council adopted the Revised Annual Budget for 2025/26 including the capital works budget.

REPORT/BACKGROUND

Each year, the Council commits to upgrading its existing infrastructure as well as building new infrastructure. Projects are funded from several sources, being Council's own income and

grant funding from the Queensland and Australian Governments via various government agencies.

Attachment 1 and 2 gives a summary and detail of the progress for the capital works program in 2025/26.

Below is a summary table of the overall status of capital projects and programs. Note, the Actual Expenditure amounts are draft only and will be finalised once the end of year financial statements are approved.

Description	Projects and Programs	Complete	Commenced
Budget Value	\$ 26,145,346		
Number of Projects	98	66	32
Actual Expenditure		\$ 12,827,809	\$ 3,650,357
Percentage of overall budget value		49.5%	14.0%

Project expenditure is sitting at approximately 64% of approved budget, and 32 projects are commenced but not yet complete.

The primary drivers of the underspend and incomplete projects include:

- Mossman River intake contract has not yet been awarded after adding the Reservoir Storage Project to the scope. This has delayed the contract award therefore construction has not commenced.
- Landside Infrastructure Project had a delayed commencement due to weather and finalisation of cultural heritage agreements
- Strategic Land Purchases not proceeding in 25/26 financial year
- NQRP funded projects are multiyear but had all their funding allocated in 25/26 financial year
- Pavement Reseals and Renewal Program deferred or cancelled whilst awaiting confirmation of the DRFA programs
- Fuel escalation issues delayed commencement of Principle Cycle Network Project and Tollgate Road project
- Secure Communities CCTV Grant tenders returned higher than expected costs, resulting in descoping exercise and returning to market for completion in the next financial year.
- Budget set aside for capital works because of Tropical Low 29U were not required

The progress is shown in the graph below, noting that forecasting has recently been introduced to better inform management decision making.

The introduction of forecasting and increased active management in Q4 has seen the forecast expenditure reflect the actual expenditure in June which is an improved result.

Major Projects:

Mossman River Intake

Council has achieved agreement with relevant agencies to align the intake project and 'Raw Water Storage' which forms part of the Disaster Recovery Funding Arrangements (DRFA) Water Program.

The project program has now been agreed with the added scope, giving confidence in our ability to meet milestones attached to grant funding and deliver a high-quality outcome for the community.

The major challenge of adding scope to a project already out to tender, redefining the projects design parameters and re-releasing the program to market has occurred, representing a significant advancement in this project. Q4 will see the evaluation of tenders in preparation for contract award in 2026/27.

Daintree Ferry Landside Infrastructure

The Landside Infrastructure Issued for Construction drawings were issued in Q3. There will be some adjustments due to the interface requirements of the Ferry Design.

Works have progressed well although hampered by the prolonged wet weather. Additional variations have materialised due to poor subgrade conditions not anticipated on the southern side requiring additional treatment of rock bridging.

Council have engaged a consulting civil engineer project manager to assist in the design review and quantity checks.

Q1 2026/27 will see marked improvement in progress given the wet weather has now subsided delivering a significant project for the community.

Daintree Ferry

Design is well progressed with the program still on track to deliver the new ferry for December 2027. Hull sections are being fabricated, and sections welded together. A program of the ferry build will be submitted by Birdon.

Overall Capital Works Program:

A copy of the overall Capital works program is attached for reference. This layout is for information purposes only and not for distribution as it contains some sensitive information regarding direct capital allocation.

Please note the use of the “traffic light” system to quickly draw attention to those projects that have been flagged by officers as having issues relating to either budget and or scope of work and or risks/delays/opportunities.

Work Order Status	Green	Yellow	Red	Total
Budget	79	15	4	98
Program Status	80	15	3	98
Risks/Delays/Opportunities	78	17	3	98

Program Status:

The red traffic light projects refer to:

- Water Main reactive renewals | Over budget due to the number of breakages in the network
- Strategic Land Purchases | unable to progress due to landowner negotiations

- Port Douglas WWTP inlet works | Contractual dispute
- Council Continuity Plan | On hold while other works are undertaken

Issues

The main issues and challenges in delivering the capital works projects during April through to June quarter are:

- Vacancies and staff movements have resulted in some project delays in the program's delivery. Additional Project Management consultants have been brought in to improve delivery.
- There remains significant demand for contractors, trades and suppliers in the market which has led to some procurement having no responses after going to market.
- The delayed wet season has delayed several projects. Where projects are grant funded, submissions for extensions of time have been submitted to funding bodies to ensure that grant funding is maximised for these projects affected. Additional mitigations include procurement of materials and long lead items to allow construction commencement immediately once the wet weather subsides.
- Recent global fuel price escalation has also factored in delay in executing contracts. This has also led to escalation in project costs not factored in at the time of tender prior to the global fuel price increase. Negotiations have been ongoing with contractors to ensure contractors' concerns have been addressed.
- Market response to tender budgets has shown a marked increase in costs across numerous projects requiring additional budgets before being awarded.

Comments

Some of the strategies adopted to mitigate and improve delivery of projects have been adopted, including phasing, staging of projects, and developing Project Plans. This should show an improvement in the next financial year.

FINANCIAL AND RESOURCE IMPLICATIONS

Recent global fuel price escalation will affect budgets including material and labour cost increases. Grant funded projects will also be affected as most of these were already budgeted before the crisis.

RISK MANAGEMENT IMPLICATIONS

Strategic Risk no.1: Financial Sustainability.

Failure to manage forward estimates, long term asset lifecycle costs will be detrimental to financial sustainability.

Strategic Risk no.2: Failure to deliver essential services (water, transport, sewerage, waste).

Several projects have risks to delivery due to delays and design risks mainly associated with Mossman River Intake.

ENVIRONMENTAL IMPLICATIONS

Nil

SOCIAL IMPLICATIONS

Delays with Ferry loading due to construction activities this has caused concern for some members of the public and businesses. Every effort is being made to minimise disruption whilst construction is occurring.

CORPORATE AND OPERATIONAL PLAN

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

Theme 2 - Prosperity

Council plans, builds and maintains the infrastructure required to improve our lifestyle and promote economic growth, working actively to support local businesses.

2.1 - Deliver a new Daintree ferry.

Theme 3 - Service Delivery

We deliver Council services effectively and efficiently to meet community expectations, focusing on the wellbeing of both the community and our employees.

3.3 - Focus on safety and wellbeing - of the community and employees.

3.4 - Ensure capital and maintenance programs for infrastructure/open spaces are prioritised and delivered on time.

3.7 - Identify and manage risk.

Operational Plan 2026-2027 Actions:

2.1.2 - Commence construction of the new Daintree Ferry.

2.1.3 - Infrastructure works including site preparation, civil, stormwater and utilities installation (excludes ramps and marine works).

3.4.1 - Delivery of the 2026/2027 Capital Works Program.

3.4.4 - Design and install upgraded palm tree lighting at Rex Smeal Park.

3.5.2 - Undertake condition assessments for all Council Buildings and Facilities.

3.8.4 - Refurbishment of the Cooya Beach reservoirs.

3.8.5 - Design, manufacture, supply, and installation of a storage reservoir in Mossman.

3.8.6 - Construction of a new intake on the Mossman River.

4.4.3 - Construct a Resilience Meeting Hub for Degarra.

LEGISLATION AND POLICY

Any Legislation referenced or impacting this report eg. *Local Government Act 2009*, *Planning Act 2016*, *Transport Operations (Road Use Management) Act 1995*

Any Council Policies referenced or impacted eg. Procurement Policy, Tenure Policy, Water Conservation General Policy etc.

CONSULTATION

Internal Consultation:

- PCG Meetings

External Consultation:

- Community Reference Group meetings for the Landside Infrastructure and Road Network
- Environmental Application with DETSI and SARA for Ferry Landside Infrastructure.
- Cultural Heritage meetings with Claimants for Northern and Southern sides of the Landside Infrastructure Project External Consultation
- Community Engagement for various projects.

CONCLUSION

The Capital Works program for 2025/26 is finalised with 66 of the 98 projects completed with the other 32 identified projects currently work in progress. Council is continuing to deliver the large-scale multi-year projects including the Daintree Ferry, Daintree Ferry Landside Infrastructure and the Mossman 2nd Water Intake project.

ATTACHMENTS

1. 25-26 CW Report Attachment - June 2026 [7.8.1 - 2 pages]

	New/ Renewal/ Upgrade (N/R/U)	Approved Budget 2025/26	Current WIP (Actual + Committed)	Current Committed	Current Actual	% Complete (based on WIP)	% Complete (based on Actual)
<u>Council & Community Facilities</u>							
Grant Funding - Port Douglas Splash Park	N	\$ 2,300,000	\$ 2,232,037	\$ -	\$ 2,232,037	97%	97%
Land Purchases	N	\$ 810,000	\$ -	\$ -	\$ -	0%	0%
Grant Funding - Reef Guardian 2024-2025 - Solar Installation	N	\$ 236,308	\$ 217,160	\$ -	\$ 217,160	92%	92%
Council Facilities renewal Program 25/26	R	\$ 653,188	\$ 497,052	\$ -	\$ 497,052	76%	76%
Community Facilities renewal Program 25/26	R	\$ 977,010	\$ 545,697	\$ -	\$ 545,697	56%	56%
Parks Renewal Program 25/26	R	\$ 555,211	\$ 511,407	\$ -	\$ 511,407	92%	92%
Sugar Wharf Building Repairs	R	\$ 65,385	\$ 21,637	\$ -	\$ 21,637	33%	33%
Asbestos Mitigation Program 25/26	R	\$ 50,000	\$ 16,158	\$ -	\$ 16,158	32%	32%
Community Facility Improvements	N	\$ 200,381	\$ 103,991	\$ -	\$ 103,991	52%	52%
Council Facilities Improvements	U	\$ 27,050	\$ 27,041	\$ -	\$ 27,041	100%	100%
NQRP - Community Resilience Improvements	N	\$ 370,577	\$ 197,486	\$ -	\$ 197,486	53%	53%
Streetscape Improvement	R	\$ 121,881	\$ 150,343	\$ -	\$ 150,343	123%	123%
Grant Funding- Alex Bay SES Shed Upgrades	R	\$ 69,562	\$ -	\$ -	\$ -	0%	0%
Grant Funding- CCTV Systems for Mossman & Port Douglas	N	\$ 367,005	\$ 206	\$ -	\$ 206	0%	0%
<u>Council & Community Facilities</u>		\$ 6,803,558	\$ 4,520,215	\$ -	\$ 4,520,215	66%	66%
<u>Drainage</u>							
Drainage Renewal Program 25/26	R	\$ 400,000	\$ 308,383	\$ -	\$ 308,383	77%	77%
NQRP - Flood Resilience Improvements	U	\$ 583,448	\$ 241,374	\$ -	\$ 241,374	41%	41%
<u>Drainage</u>		\$ 983,448	\$ 549,757	\$ -	\$ 549,757	56%	56%
<u>Marine</u>							
Ferry Vessel Maintenance/Renewals	R	\$ 100,000	\$ 52,124	\$ -	\$ 52,124	52%	52%
Sugar Wharf Renewal	R	\$ 183	\$ -	\$ -	\$ -	0%	0%
Grant Funding- Cooper Creek Boat Ramp	N	\$ 50,000	\$ 15,125	\$ 5,531	\$ 9,594	30%	19%
<u>Marine</u>		\$ 150,183	\$ 67,249	\$ 5,531	\$ 61,719	45%	41%
<u>Plant and Equipment</u>							
Fleet renewal program	R	\$ 845,000	\$ 939,329	\$ 43,300	\$ 896,029	111%	106%
ICT Infrastructure Renewal	R	\$ 298,000	\$ 156,629	\$ -	\$ 156,629	53%	53%
ICT Infrastructure Upgrades	U	\$ 88,658	\$ 66,379	\$ -	\$ 66,379	75%	75%
Fleet New Purchases Program	N	\$ 250,000	\$ 179,630	\$ -	\$ 179,630	72%	72%
Key Cabinets x2	N	\$ 40,000	\$ -	\$ -	\$ -	0%	0%
<u>Plant and Equipment</u>		\$ 1,521,658	\$ 1,341,967	\$ 43,300	\$ 1,298,667	88%	85%
<u>Resource Management</u>							
Sanitary Depot - Closure Monitoring	R	\$ 63,000	\$ 43,952	\$ -	\$ 43,952	70%	70%
Newell Landfill - Capping	R	\$ 195,000	\$ 95,520	\$ -	\$ 95,520	49%	49%
Killaloe Landfill - Closure Monitoring	R	\$ 378,415	\$ 227,496	\$ -	\$ 227,496	60%	60%
Killaloe Landfill- Capping	R	\$ -	\$ 0	\$ -	\$ 0	#DIV/0!	#DIV/0!
<u>Resource Management</u>		\$ 636,415	\$ 366,968	\$ -	\$ 366,968	58%	58%
<u>Transport</u>							
Daintree Ferry - Landside Infrastructure	U	\$ 4,776,806	\$ 3,429,105	\$ -	\$ 3,429,105	72%	72%
Grant Funded - Port Douglas Road Principle Cycle Network Upgrade	U	\$ 858,440	\$ 342,544	\$ -	\$ 342,544	40%	40%
Pavement Renewal Program	R	\$ 617,755	\$ 46,143	\$ -	\$ 46,143	7%	7%
Road Reseal / AC Overlay Renewal Program	R	\$ 1,773,023	\$ 819,627	\$ -	\$ 819,627	46%	46%
Gravel Road resheet program	R	\$ 250,000	\$ 250,779	\$ -	\$ 250,779	100%	100%
Footpath & Road Lighting Program	U	\$ 265,000	\$ 142,115	\$ -	\$ 142,115	54%	54%
Kerb and Channel Program	R	\$ 458,746	\$ 552,140	\$ -	\$ 552,140	120%	120%
Road Upgrades	U	\$ 291,897	\$ 81,584	\$ -	\$ 81,584	28%	28%

Attachment 7.8.1

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Grant Funding- Barrier Street Safety Upgrades	U	\$	890	\$	890	\$	-	\$	890	100%	100%
Footpath Improvements	N	\$	86,300	\$	67,061	\$	-	\$	67,061	78%	78%
Bridge Flooding Review	R	\$	17,350	-\$	43,580	\$	-	-\$	43,580	-251%	-251%
Capital Repairs from Low 29U	R	\$	1,146,741	\$	58,221	-\$	11,973	\$	70,194	5%	6%
NQRP - Improve resupply access points - north of Daintree River	N	\$	25,000	\$	10,793	\$	-	\$	10,793	43%	43%
Transport		\$	10,567,948	\$	5,757,423	-\$	11,973	\$	5,769,396	54%	55%
Wastewater											
Sewerage Treatment Renewals	R	\$	1,361,000	\$	1,144,309	\$	-	\$	1,144,309	84%	84%
Sewerage Pump renewals	R	\$	447,673	\$	372,144	\$	-	\$	372,144	83%	83%
Sewerage Forklift Purchase	N	\$	41,157	\$	23,755	\$	-	\$	23,755	58%	58%
Sewerage Main Renewals	R	\$	300,000	\$	165,641	\$	-	\$	165,641	55%	55%
Wastewater		\$	2,149,830	\$	1,705,849	\$	-	\$	1,705,849	79%	79%
Water Supply											
Grant Funding - Cooya Beach Reservoir - Connect & Commission	U	\$	139,165	\$	94,578	\$	-	\$	94,578	68%	68%
Grant Funding - WISER Program - Mossman River Intake	N	\$	1,256,703	\$	303,767	\$	-	\$	303,767	24%	24%
Water Treatment Improvements	U	\$	67,786	\$	14,699	\$	-	\$	14,699	22%	22%
Water Treatment and Storage renewals	R	\$	387,786	\$	156,358	\$	-	\$	156,358	40%	40%
Water Main Renewals	R	\$	1,370,866	\$	1,626,704	\$	-	\$	1,626,704	119%	119%
Water Pump Renewals	R	\$	70,000	\$	-	\$	-	\$	-	0%	0%
Mossman WTP - Bulk Water Standpipe	N	\$	40,000	\$	29,044	\$	-	\$	29,044	73%	73%
Water Supply		\$	3,332,306	\$	2,225,151	\$	-	\$	2,225,151	67%	67%
Total BAU Capital Works		\$	26,145,346	\$	16,534,579	\$	36,858	\$	16,497,721	63%	63%