

ORDINARY MEETING 14 APRIL 2015	5.2
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OPERATIONS DEPARTMENT CAPITAL WORKS PROGRESS REPORT FOR PERIOD JANUARY – MARCH 2015

P Hoye: General Manager Operations

RECOMMENDATION:

That Council receive and note the progress of the Capital Works Program for the 3rd Quarter of the 2014/2015 financial year.

EXECUTIVE SUMMARY:

Council adopted a capital works budget in excess of eight (8) million dollars for the 2014/2015 financial year. Attachment 1 to this report details the progress of the capital works program for those works with a budget of \$20,000.00 or more for the period January 1 – March 31, 2015.

Weather conditions through the period have been relatively benign through the wet season and this has allowed the majority of planned works for the period to progress unhindered. Some interruptions have occurred due to planning and preparing for severe weather events, however the majority of works have progressed in line with expectations.

Overall, the delivery of the capital works program is on schedule and within budget parameters as at 31 March 2015.

BACKGROUND:

Council adopted a budget for the delivery of capital works in the Shire for the 2014/15 financial year. Attachment 1 gives a summary of the progress of the capital works program for the period January 1– March 31, 2015. The attachment is in a “traffic light” format so as to provide a quick oversight of the entire program where performance/progress is shown as follows:

Performance Indicators ● Satisfactory ● Marginal ● Unsatisfactory

A shaded month column is also provided in the attachment which shows the anticipated starting month and the months where work is expected to occur and conclude.

COMMENT:

The majority of the capital works program remains on track for delivery within time and budget allocations for the 2014/2015 year. The 3rd quarter has seen less than expected weather impacts on works. Planning and logistic needs around some projects such as the capping of the former landfill area at Killaloe, the management of leachate at this site and design for the causeway projects means that completion of these projects before the end of the financial year is at some risk. Major works completed during the quarter include the Port Douglas roundabout, substantial completion of the toilet block, landscaping and signage design at the Daintree Gateway and excellent progress on a number of projects within Water and Wastewater. Staff have continued to perform at a high level in completing significant works in house, although

there has been an impact on delivery through the movement of staff to new positions within the organisation and through unavailability. This has particularly impacted on the Civil Works construction team.

Areas where there is an expectation that delivery will be compromised within the 2014/15 year include:-

Degarra Causeway Project – due to the late determination to commence the project, a long design period and inability to complete on ground works due to wet season risks the project will not be completed until around October/November 2015. The Department of Local Government, Community Recovery and Resilience have been advised this project will not be completed until the end of the calendar year and this will not impact on the funding;

Whyanbeel Causeway Project - inability to complete on ground works due to wet season risks works within a waterway. The Department of Local Government, Community Recovery and Resilience have been advised this project will not be completed until early in the new financial year and this will not impact on the funding;

Mowbray River Road Causeway Project – the final design has resulted in construction costs that will exceed the original budget;

Mowbray Water Pipeline Project – in house labour requirements are used for the laying of pipes and due to other operational work requirements this project may not be completed until after the end of the financial year.

Front Street Project - planning and design has commenced but final delivery of the project may be after the end of the financial year;

Diggers Bridge Project – Contingency needs associated with the delivery of Spring Creek Causeway project mean that the bridge works cannot commence until the causeway works are complete. This will result in the bridge works being completed after the end of the financial year.

It is recommended that Council note the contents of this report.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE:

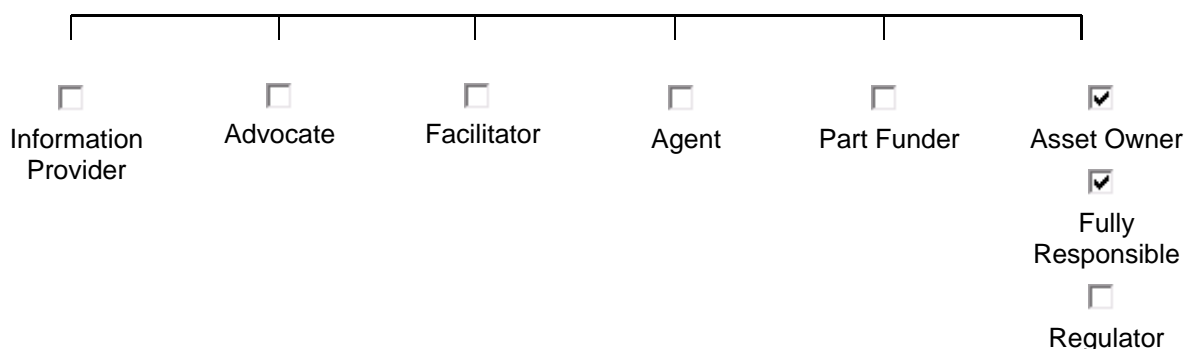
Theme 2: Goal 1

To deliver a sustainable capital works program that generates local opportunities for employment.

COUNCIL'S ROLE:

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:



Asset Owner: Meeting the responsibilities associated with owning or being the custodian of assets such as infrastructure.

Fully Responsible: Funding the full cost of a program or activity.

FINANCIAL/RESOURCE IMPLICATIONS:

Delivery of the capital works program within timeframes and budget is essential to ensuring that Council is financially sustainable and that Council's assets are maintained and developed to meet the needs of communities within Douglas.

RISK MANAGEMENT IMPLICATIONS:

Council must plan and deliver a suitable capital works program to ensure that its assets are able to service the needs of the communities within Douglas Shire. Council has a statutory obligation as a service provider to ensure it is able to provide water and wastewater services to customers. Council's reputation and the community's amenity would suffer if it is unable to maintain assets and service levels at necessary standards. The consequence of inadequate maintenance and upgrade of capital assets will be increased costs in future.

SUSTAINABILITY IMPLICATIONS:

ECONOMIC: Financial sustainability of the Council would be at risk if capital works programs are not kept within budget, or are not undertaken.

ENVIRONMENTAL: Failing to maintain assets can lead to environmental impacts through the release of materials to the environment outside of licence conditions. Poorly maintained assets can also have impacts on energy and resource use.

SOCIAL: Communities expect assets such as roads, bridges and water/wastewater systems to be safe and maintained to necessary standards.

INTERNAL/EXTERNAL CONSULTATION:

Consultation has been undertaken with the Managers and Coordinators within the Operations Department and with the Management Team.

ATTACHMENTS:

Attachment

