

ORDINARY MEETING 18 AUGUST 2015	5.5
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OPERATIONS DEPARTMENT CAPITAL WORKS PROGRESS REPORT FOR
PERIOD JULY 1 2014 – JULY 31 2015

Paul Hoyer, General Manager Operations #462865

RECOMMENDATION:

That Council receive and note the progress of the Capital Works Program for 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 July 1, 2014 – July 31, 2015.

The majority of works have progressed in line with expectations and as at July 31, 2015 75% of projects have been completed. Of the completed projects 94% have been finalised under budget, achieving a saving to Council of \$744,600.00. Importantly these savings will cover in the budget overrun occurring with the Degarra causeway project.

Weather conditions through the last quarter of the period have been unseasonably wet which has severely hampered work in the China Camp area and on other projects. Some interruptions also occurred in preparing for severe weather events and the subsequent response such as for Cyclone Nathan. Planning around road closures on projects, such as the Mowbray Causeway, has impacted on other works such as Diggers Bridge.

Overall, the delivery of the 2014/15 capital works program has been satisfactory. It is anticipated that with new management skills being gradually introduced into the organisation that better project planning, five year project programs and improved project delivery will occur. It has been apparent that the lack of middle management in the Shire over the amalgamation years has exposed a need for the up-skilling of Council staff in project planning, management and delivery. Staff have performed exceptionally well in the circumstances and the quality of work and efficiency of staff in the delivery of projects in house should be commended.

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 June 1, 2014 – July 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 was delivered on time and under budget for the 2014/2015 year. 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 the program for completion of these projects has needed to be extended. Council received an extension of time from the State Government for the Degarra Causeway only in late July and this project will now be completed before November 2015. Projects of note completed in the last four months include the Daintree Gateway (traffic signage to occur when traffic volumes decrease), the new causeway on Mowbray River Road, significant oxidation ditch and aeration improvements at the Mossman Wastewater Treatment Plant, commissioning of new chlorine disinfection processes at the Craiglie Reservoir and the Mossman Wastewater Treatment Plant and the recommissioning of the 1.8MI Mossman Reservoir located at the Mossman Water Treatment Plant. There has also been excellent progress on the new 150mm water line to Mowbray, which is undertaken by staff in amongst their daily activities.

Areas where delivery in the 2014/2015 will be compromised are detailed below:-

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 November 2015. The Department of Local Government, Community Recovery and Resilience has approved the extension to the project and advised Council on July 27, 2015. Funding for the project requires an additional \$360,000.00 as explained to Council in the contract award report dated July 7, 2015. It is expected these funds will come from capital project savings to date of \$744,000.00.

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 has provided an extension. To ensure project costs were in line with the budget works were aligned with NDRRA works on a nearby causeway achieving significant savings. These works are currently underway.

Mowbray Water Pipeline Project – in house labour requirements are used for the laying of the pipes and due to other operational work requirements this project will be completed in August 2015.

Front Street Project – community consultation, planning and design have been undertaken and detailed costing and approval of works via DTMR is currently occurring. The project has been rolled into the 2015/2016 stage.

Diggers Bridge Project – Contingency needs associated with the delivery of Spring Creek Causeway project meant that the bridge works could not commence until the causeway works were complete. The bridge works will now be completed after works in the China Camp area are finalised.

Landfill Capping – various capping methods have been investigated and an engineering design developed. The current estimated cost to carry out the works to the design specifications is between \$800,000.00-\$1,000,000.00, well above the budget of \$300,000.00. Staff are actively investigating alternatives to the capping that will provide a better environmental and financial outcome. Alternatives may include removing the material and using some as feedstock for various technologies or separating materials and transporting to engineered landfills. The future alternatives to the capping are dependant on the treatment of leachate at the site and a company providing a portable leachate treatment system is providing a costing.

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

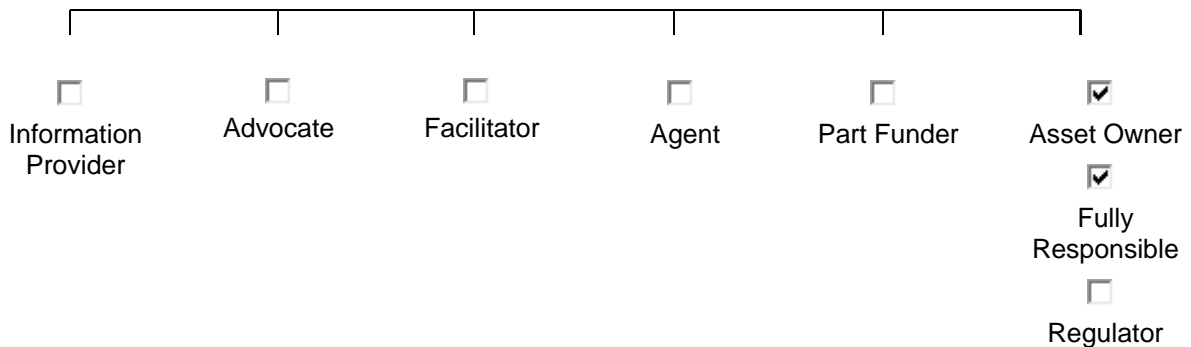
CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE:

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 a capital works program within budget is essential to ensure that Council is financially sustainable and that Council's assets are maintained and developed to meet the needs of communities within Douglas. Although all the program has not been delivered within the 215/2016 timeframe, the delivery of incomplete projects will continue. All areas of Council's Operations Department are now developing three (3) and five (5) year capital works programs which provide a clear strategy for delivery of capital works projects and allow for the necessary planning and financing to occur. It is pleasing that the majority of projects have been delivered well within budget and in most cases by Council staff.

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 the 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 1 – Capital Works Status Report

Status (Traffic Light)	Action	Expenditure to date (committed)	Original budget 2014/15	Budget Variance on Completed Projects	% Complete	Comment
	Landscaping of Mossman Streetscape	\$6,000.00	\$100,000	\$0.00	20%	Planning and design phase commenced. Currently costing design and awaiting approval from DTMR on structural elements and roadside furniture.
	DTMR Funding for Landscaping of Captain Cook Hwy & Port Douglas Rd	\$100,000.00	\$100,000	\$0.00	100%	Completed
	Mossman Administration - Air Conditioner Fans & Insulation	\$44,785.33	\$50,000	\$5,214.67	100%	Completed
	Sugar Wharf Building - Develop & Start 5 year Renewal Plan	\$8,000.00	\$50,000	\$0.00	20%	Decking completed. Roof inspection identified re-roofing required. Balanced rolled into 2015/16 with additional capital to complete as part of ongoing program.
	Daintree Ferry Light pole and access ladder - WHS issue	\$16,700.00	\$20,000	\$3,300.00	100%	Completed
	Port Douglas Sports Complex - re surface netball courts	\$31,800.00	\$35,000	\$3,200.00	100%	Completed
	Green Building Facilities Program (Second Year)	\$21,100.00	\$30,000	\$8,900.00	100%	Completed
	Depot Facilities	\$25,670.00	\$25,000	(\$670.00)	100%	Completed
	Depot Asbestos Removal program- Depot	\$52,256.88	\$50,000	(\$2,256.88)	100%	Completed
	Port Douglas Waterfront improvements	\$5,000.00	\$50,000	\$45,000.00	100%	Completed drainage works around Saint Mary's. Some additional asphalt works identified to be carried out in front of the Sugar Wharf. Balance to be incorporated into 2015/16 improvements in the Waterfront precinct.
	Garden bed/path upgrade project – Port Douglas Community Hall	\$18,782.00	\$20,000	\$1,218.00	100%	Completed
	Cape tribulation Playground Installation	\$20,158.00	\$15,000	(\$5,158.00)	100%	Completed
	Daintree Gateway	\$252,070.00	\$287,000	\$0.00	98%	Toilets operational, landscaping and road audit completed, interpretive, ferry and entrance signage installed. New road signage to be installed as soon as ferry traffic settles as traffic management will be needed.
	Fleet - Renewals, Upgrade and New	\$430,917.17	\$443,000	\$12,082.83	100%	Completed
	Road Reseals and Rehabilitation Program	\$945,539.74	\$1,160,000	\$214,460.26	100%	Completed
	Reseal - Syndicate - Whitley to Poletti				100%	Completed
	Reseal - Syndicate - Poletti to Miallo Bamboo Ck Road				100%	Completed
	Reseal - South Arm Drive - Vixies to end				100%	Completed
	Reseal - Finlayvale Road - Santacattarina to Cobavie				100%	Completed
	Reseal - Finlayvale Road - Cobavie to end				100%	Completed
	Reseal - Whiteley Road - Syndicate to end				100%	Completed
	Reseal - Miallo-Bamboo Creek Road - Kingston to Bamboo Ck Road				100%	Completed
	Asphalt - Jabeva Close - Cul-de-sac				100%	Completed
	Asphalt - Lloyd Road - Cul-de-sac				100%	Completed
	Asphalt - O'Callaghan Close - Cul-de-sac				100%	Completed
	Asphalt - Somerset Drive - Cul-de-sac				100%	Completed
	Asphalt - Whiteley Road - Cul-de-sac				100%	Completed
	Asphalt - Blain Street - Pringle St to Wattle St				100%	Completed
	Asphalt - Coulthard Close, Cul-de-sac				100%	Completed
	Asphalt - Port Pacific Views section over drainage site				100%	Completed

Status (Traffic Light)	Action	Expenditure to date (committed)	Original budget 2014/15	Budget Variance on Completed Projects	% Complete	Comment
	Asphalt - Bow Street/Dan Hart Lane - Front Street to end				100%	Completed
	Road Rehabilitation - Junction and Shannonvale Roads				100%	Completed
	Woobadda Creek Bridge - Transport Infrastructure Development Scheme (RTA TIDS)	\$1,042,203.42	\$413,000	\$0.00	99%	Complete excepting final contractor payment. The total projected budget for the Woobadda Project was \$2 513, 000 and final costings for the project are still being determined. The budget does not show total brought forward amount of \$1 105 000.00 (including the original Council contribution of \$470 000). Variations on the project have amounted to \$140 000.00. Still await final invoice from Cook and as constructed drawings..
	Disaster Mitigation & Resilience - Flood Mitigation (Daintree Flood Gauge Automation, Mowbray Valley & Whyanbeel Causeway Upgrade Projects).	\$639,017.03	\$650,025	\$0.00	85%	Daintree Flood Gauge - Completed Mowbray Road Causeway - Completed Connolly Causeway - Completed Whyanbeel Causeway No.3 - Design Completed and works underway.
	Flood Mitigation - Degarra Causeway Project	\$1,073,500.00	\$858,130	\$0.00	50%	Construction awarded and due for completion by December 2015. Extension approval now received from the State Government.
	Cycling/Walking Strategy Implementation	\$12,112.00	\$20,000	\$0.00	70%	DTMR Priority Cycle Route Mapping finalised. Road widening at Cooya Beach to enable bike use on new section complete but costs incurred in roadworks. Signage and path improvements from Teamsters Park to Bump Track. New spillway and cycle /walking bridge being installed at Teamsters Park wetland and gravel path. Delayed due to unseasonal rain.
	Bridges/Causeways/Drainage - Diggers Bridge - Major works replacement	\$53,808.81	\$200,000	\$0.00	5%	Minor maintenance work completed. Major work to be completed in 15/16. Closure of Mowbray River Road for causeway work prevented bridgework.
	Bridges/Causeways/Drainage - Santacattarina Road - Concrete floodway	\$37,913.81	\$50,000	\$12,086.19	100%	Completed
	Bridges/Causeways/Drainage - Ironbark Road extension of culverts	\$21,881.34	\$20,000	(\$1,881.34)	100%	Completed
	Bridges/Causeways/Drainage - Nicole Drive Causeway	\$60,497.06	\$75,000	\$14,502.94	100%	Completed
	Bridges/Causeways/Drainage - China Camp Replace Fischers Bridge (Timber and Install flood way)	\$47,061.73	\$250,000	\$0.00	65%	Design Completed, materials sourced and construction to commence late July 2015. Gang has had to return due to recent wet weather and access issues. Will attempt work again in August.
	Bridges/Causeways/Drainage - Mahogany Street reline pipes	\$5,255.43	\$55,000	\$0.00	5%	To be completed in August. Slippage due to false starts at CREB and China Camp.
	Bridges/Causeways/Drainage - Nautilus Street reline pipes	\$32,730.31	\$40,000	\$7,269.69	100%	Completed
	Bridges/Causeways/Drainage - Sonata Close replace footbridge	\$37,053.60	\$50,000	\$12,946.40	100%	Completed
	Bridges/Causeways/Drainage - Grant Street replace footbridge	\$44,131.12	\$50,000	\$5,868.88	100%	Completed
	Bridges/Causeways/Drainage - Wharf Street and Rex Smeal Park drainage	\$42,648.74	\$60,000	\$17,351.26	100%	Works completed
	Footpath Renewal - Front St	\$3,206.80	\$20,000	\$16,793.20	100%	Completed
	Footpath Renewal William Street Mossman	\$9,909.30	\$16,000	\$6,090.70	100%	Completed
	Footpath Renewal - Davidson St 1	\$55,094.44	\$81,000	\$25,905.56	100%	Completed
	Footpath Renewal - Connect Old Cooya to Ocean Breeze	\$4,069.30	\$60,000	\$0.00	15%	Footpath work to be completed once adjoining development is completed

Status (Traffic Light)	Action	Expenditure to date (committed)	Original budget 2014/15	Budget Variance on Completed Projects	% Complete	Comment
	Renewal, Kerb & Channel - Mossman St	\$1,295.00	\$39,000	\$0.00	10%	Proposed completion August 2015
	Renewal, Kerb & Channel - Quaid St	\$1,295.00	\$23,000	\$0.00	0%	Proposed completion August 2015
	Renewal, Kerb & Channel - Bow St & Dan Hart Lane	\$0.00	\$30,000	\$0.00	10%	Proposed completion August 2015
	Stabilise earthen bank at Daintree WTP	\$13,260.00	\$10,000	(\$3,260.00)	100%	Completed
	Stabilise Boundary fencing earthen bank at Whyanbeel WTP	\$13,848.00	\$25,000	\$11,152.00	100%	Completed
	Implementation of Gas Chlorine Disinfection. Costing at early stage and a 5 year down payment agreement with supplier for the supply of equipment a possibility. Estimated total cost for consultation, equipment, telemetry, specialised reservoir dosing equipment.	\$337,707.66	\$375,000	\$37,292.34	100%	Completed
	New sluice valve for PRV scour pit at MWTP	\$3,474.00	\$6,000	\$2,526.00	100%	Completed
	Refurbish, commission and integrate Mossman Reservoir back on line	\$77,217.19	\$200,000	\$122,782.81	100%	Completed
	Mossman Intake (Rex Creek) Up-grade new lining in race & concrete repairs (Funding will apply)	\$100,921.82	\$160,000	\$59,078.18	100%	Completed
	Up-grade Mowbray supply scheme: Upgrade 80mm AC water main to 150mm Class 16 PVC Main, length 5klms	\$96,836.66	\$370,000	\$0.00	75%	Project commenced 12/05/15 on 2klms of stage [1] 1kms laid and backfilled stage. Completion in August 2015
	Up-grade Syndicate Road: Upgrade 100mm AC water main to 100mm Class 16 PVC Main, length 3.5klms	\$177,689.60	\$220,000	\$42,310.40	100%	Completed
	Daintree Intake Access track; gravel & drains	\$34,566.19	\$60,000	\$25,433.81	100%	Completed
	Land Acquisition	\$535,000.00	\$650,000	\$0.00	95%	Contract signed for purchase of land for the future development of a 22 ML Reservoir in Port Douglas. Surveys complete and Development Application being assessed. Alternative future funding sources being actively applied for.
	Vermeer extraction machine	\$60,000.00	\$60,000	\$0.00	100%	Completed
	Mossman WWTP Oxidation Ditch capacity improvement	\$69,171.33	\$80,000	\$10,828.67	100%	Completed
	Safety Grates & Lids sewer pump station CL2 ,MC,A,NM -WH&S ongoing	\$27,103.57	\$30,000	\$2,896.43	100%	Completed
	Implementation of process recommendations WWTP PD & Mossman	\$47,765.59	\$50,000	\$0.00	50%	Pipe work replaced in RAS well from 100mm dia to 150mm diameter. The settlability has improved. Await Contractors to install aeration blower cabinet and switchboard as final part of project.
	Sewer investigation and relining Mossman & Port Douglas	\$286,800.56	\$300,000	\$13,199.44	100%	Completed
	Mossman Aeration System upgrade (surface aerators)	\$78,589.51	\$80,000	\$1,410.49	100%	Completed
	Upgrade & install pump station overflow chambers (GSI) SPS NM,S1	\$28,156.40	\$30,000	\$1,843.60	100%	Completed
	Generators purchase and install at critical pump stations; Port Douglas & Mossman	\$99,100.00	\$100,000	\$900.00	100%	Completed
	Belt Press and Gravity Drainage Deck upgrade Port Douglas	\$94,995.70	\$100,000	\$5,004.30	100%	Completed

Status (Traffic Light)	Action	Expenditure to date (committed)	Original budget 2014/15	Budget Variance on Completed Projects	% Complete	Comment
	Sewer Manhole and pump station Rehabilitation (ultracoat)	\$75,954.68	\$80,000	\$4,045.32	100%	Completed
	Flow meter installation Port Douglas final effluent, licence requirement	\$45,048.86	\$50,000	\$4,951.14	100%	Completed
	Leachate well upgrades. Pump replacement and gantry installation for continual operation and maintenance requirements. TEP requires continual operation of well pumps.	\$33,685.82	\$50,000	\$0.00	80%	Pump upgrades have occurred. Gantry still to be investigated.
	Closure of Phase A. Staged capping of Landfill as per TEP SDP	\$23,700.00	\$150,000	\$0.00	10%	Preliminary work and design completed. Exploring alternatives to capping.
	Closure of Phase B. Staged capping of Landfill as per TEP SDP. Due June 2015	\$3,900.00	\$150,000	\$0.00	0%	Phase A activities will impact and much of the area is still required for use.
	Repair and upgrade of drainage system (spillways) as per TEP SDP	\$57,548.30	\$140,000	\$0.00	70%	Spillways upgraded, however, further works indentified as required to prevent sediment impact.
	Development of Leachate Management Plan with detailed design of vertical wetlands leachate treatment system and budget allocation. Due May 2015. TEP SDP.	\$28,405.00	\$50,000	\$0.00	80%	Plan lodged with EHP. Concern is raised with the solution proposed including cost and a second opinion has been sought.
	Replacement of bunded area for storage of Hazardous Waste.	\$27,272.73	\$30,000	\$0.00	10%	Preliminary work commenced.
	Purchase and install cardboard baler. Cost to send loose cardboard for recycling not cost effective.	\$0.00	\$20,000	\$0.00	0%	Unlikely to commence this year. Transport options for cardboard and disposal points need more exploration. Space may be better used for recycled goods shop.
	Drop bay reinforcement. Steel plates to line the bays. Stability of the existing bay walls is questionable. Large fissures, cracks and crumbling occurring.	\$0.00	\$100,000	\$0.00	0%	Not yet commenced due to refurbishment of the processible bay by SITA and the need to utilise Council bays as a temporary receive area.
	Construction of geofabric groynes - Newell Beach	\$6,500.00	\$35,000	\$0.00	25%	Design revisited late March to allow for 3 one bag high groynes along the eroding section of beach. This was determined to be necessary due to no dredge sand being placed in the area for some time and to accommodate river sand amounts. Tidal Works Application lodged after receiving DNRM approval. Currently in information request period. Bag supply determined and contractor/supplier has visited site. Sand for bag filling and placement between groynes will likely occur in June. Sand supply being removed from ferry channel during April.
		\$7,681,182.53	\$9,256,155	\$744,619	75	