

## 5.9. BUILDING OUR REGIONS - PORT DOUGLAS SUGAR WHARF

**REPORT AUTHOR** Mark Halstead, Facilities Maintenance Officer

**MANAGER** Natasha Murray, Manager Infrastructure

**DEPARTMENT** Infrastructure Services

### RECOMMENDATION

That Council resolves to:

1. Note the successful \$250,000 (GST Exc) funding application to Round 5 Building our Regions for the Port Douglas Sugar Wharf Upgrade Project;
2. Commit to delivering the project;
3. Acknowledge responsibility for any funding shortfalls if costs change;
4. Contribute \$100,000 (GST Exc) towards the project with funds in the 2020/2021 Budget; and
5. Delegate authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to administer the above matters.

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### EXECUTIVE SUMMARY

Building our Regions (BOR) provides funding for regional infrastructure projects that create flow-on economic development opportunities and jobs and improve livability and economic conditions.

The primary objectives of the funding program are to:

- Support regional economic development and the sustainability of regional communities;
- Support the development of new industries or the expansion of established industries in the regions;
- Contribute to the creation of new sustainable employment opportunities;
- Improve the liveability and amenity of regional communities through improved infrastructure and increased economic activity;
- Align with regional industry and economic development priorities.

An Expression of Interest was lodged on 30 August 2019 for the project, which was shortlisted after a competitive process, with Council invited to the second stage of the process, to submit a detailed application by 27 November 2019.

The State, acting through the Department of State Development, Tourism and Innovation (DSDTI) confirmed its conditional offer of \$250,000 (GST exclusive) towards the Port Douglas Sugar Wharf Upgrade (the Project) in a letter dated 20 July 2020.

This conditional offer of funding through Building our Regions Round 5 (Program) is offered to Douglas Shire Council (the Council), subject to the Council accepting the terms and conditions of the Project Funding Schedule and the Director-General of DSDTI (or his delegate) approving and executing the Project Funding Schedule.

This report is to note the successful application and reaffirm Council's commitment to the project.

## BACKGROUND

Building our Regions Round 5 had two classes of eligible projects: construction projects and infrastructure planning projects. Construction may include new infrastructure as well as the upgrade, extension or replacement of existing infrastructure.

Under the Regional Capital Fund category, eligible Councils submitted applications for construction projects seeking funding from \$250,000 to \$7 million per project.

Voluntary contributions were encouraged from applicants in order to strengthen applications.

To be eligible for funding for a construction project an application must have been consistent with the objectives of the program, be for the construction of an infrastructure project, capable of commencing construction by 30 April 2020, have final construction designs at time of business case submission and have no outstanding land tenure issues.

## COMMENT

Due to the impacts of COVID-19 and Local Government elections in March 2020 the original timeframes outlined in the Funding Guidelines have altered. The project Completion Date is 1 April 2021.

Milestone Two includes a requirement for a Council Resolution confirming Council has budgeted the Recipient's financial contribution to the project (if applicable); is committed to delivering the Project; and acknowledges responsibility for any funding shortfall if costs or other contributors change.

Requirements under Milestone Two of the funding agreement are due on 29/10/2020.

## PROPOSAL

The proposal is for Council to resolve to:

1. Note the successful \$250,000 (GST Exc) funding application to Round 5 Building our Regions for the Port Douglas Sugar Wharf Upgrade Project;
2. Commit to delivering the project;
3. Acknowledge responsibility for any funding shortfalls if costs change;
4. Contribute \$100,000 (GST Exc) towards the with funds as committed in the 2020/2021 Budget; and
5. Delegate authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to administer the above matters.

## FINANCIAL/RESOURCE IMPLICATIONS

The estimated construction cost for the Port Douglas Sugar Wharf Upgrade is \$350,000 (GST Exc). Part of the \$160,000 allocated in the 2019-20 budget was expended on heritage consultants to plan proposed upgrades to amenities, lighting, fans and flooring. \$100,000 is in the 2020-21 Budget as a contribution towards the project.

## RISK MANAGEMENT IMPLICATIONS

Project risks will be mitigated through the systematic application of internal project management systems. Project management will be the responsibility of a Council Officer, supported by officers from finance, procurement and corporate communications. The project manager will be responsible for ensuring all conditions of the funding agreement are met.

## SUSTAINABILITY IMPLICATIONS

- Economic:** The project will provide jobs during construction as well as ongoing benefits around visitation in the destination wedding and event tourism market.
- Environmental:** All works will be undertaken within environmental regulations.
- Social:** Upgrades to the Sugar Wharf will enhance and increase the use for social functions for the Shire.

## CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

### Corporate Plan 2019-2024 Initiatives:

#### Theme 2 - Fostering Sustainable Economic Growth

A robust economy is at the heart of a thriving community and enables investment in environmental protection. While our remoteness is a key attribute, it also presents challenges for attracting new business and investment. We must also meet the challenges of fierce competition in the tourism sector. Council will partner with industry to build, diversify and promote the Douglas economy. Council will design and deliver infrastructure, strategies and services that support the local economy and businesses.

*Goal 2 - We will work with partners to promote the Shire as the World's leading sustainable tropical destination and encourage business investment.*

## 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:

- Advocate** Council makes representation on behalf of the community on important issues, funding opportunities, projects and programs. Council will use its influence to seek the best outcomes for the community.
- Agent** On occasion, Council delivers services or builds infrastructure on behalf of other levels of government or organisations.
- Builder/Owner** Council makes a significant investment every year in the infrastructure that underpins the Shire through its capital works program. Council will manage its assets with appropriate frameworks and deliver its projects through robust project management.
- Custodian** Council owns and manages infrastructure, facilities, reserves, resources and natural areas. In fulfilling its role as custodian, Council will be mindful of the community, the economy, the environment, and good governance.

**Service Provider** Council provides many services to the community from roads and waste services to libraries and recreational facilities. Services evolve over time and it is the Council's mission to ensure that these services are appropriate, delivered efficiently, and designed with the customer at the centre.

## CONSULTATION

**Internal:** In developing the project and funding application, the following internal stakeholders were consulted:

- Chief Executive Officer;
- Executive Manager Infrastructure;
- Management Team;
- Community Liaison Officer;
- Senior Procurement Officer;
- Asset Management Officer;
- Building Facilities Officer;
- Property Officer;
- Planning Officer;
- Grants Officer.

**External:** In developing the project, Expression of Interest and Business Case funding application the following were consulted:

- Department of State Development, Manufacturing, Infrastructure and Planning
- Regular users/hirers of Port Douglas Sugar Wharf
- Port Douglas Sugar Wharf Cleaner/Caretaker
- Tourism Port Douglas Daintree
- Department of Natural Resources, Mines and Energy
- Heritage consultant

## COMMUNITY ENGAGEMENT

Even though the venue is regularly hired online reviews and verbal feedback from previous hirers, venue caretaker, Council staff, Tourism Port Douglas Daintree, and regular user groups identified various issues: too hot from November to March; number of toilets are inadequate/unappealing/not compliant; lighting insufficient; wiring outdated; and ply flooring is in poor condition and needs upgrading to timber floors.

In preparing Council's Corporate Plan, business, industry and community attended workshops and answered a survey. Over 800 ratepayers responded, raising various points, which this project will address: Open spaces and Shire beautification are important to residents for liveability and vital to our tourism brand; intense competition within the tourism industry and the need to ensure the Shire's brand is distinct with the experience delivering on expectations.

This project aligns with Theme 1 Goal 1 – "ensure that all infrastructure, programs and services are underpinned with inclusiveness and accessibility". Goal 2 – "deliver programs and services that protect and enhance the liveability". Theme 2 Goal 2 – Initiative 3 – "Work with Tourism Port Douglas Daintree and the wedding industry to promote the Shire."

## ATTACHMENTS

Nil