

7.16. PORT DOUGLAS FOOTPATH NETWORK UPGRADE

REPORT AUTHOR	Project Manager
MANAGER	Acting Manager Infrastructure Planning and Delivery
DEPARTMENT	Infrastructure Planning and Delivery
DATE	31 March 2026

RECOMMENDATION

That Council:

- 1. Resolves to award Contract CN2025-6763 – Port Douglas Principle Cycle Network Upgrade to the Trustee for Hatzis Family Trust (trading as C&M Contracting Services). For an approved tender value of \$1,892,404.46 (excluding GST); and**
- 2. Authorise the Chief Executive Officer to negotiate, finalise, and enter into the contract with the Trustee for Hatzis Family Trust (trading as C&M Contracting Services) In the form issued with the Request for Tender (with any agreed amendments).**

EXECUTIVE SUMMARY

This report seeks Council endorsement to award Contract CN2025-6763 – Port Douglas Principal Cycle Network Upgrade project to the Trustee for Hatzis Family Trust (trading as C&M Contracting Services), following completion of an open market tender process conducted in accordance with the Local Government Act 2009 and Local Government Regulation 2012.

This project is to upgrade a priority A route on the Principal Cycle Network between Lakeland Avenue to Bale Drive. This Project will span across three financial years and will deliver upgrades to 1.7 kilometres of footpath infrastructure

PREVIOUS COUNCIL CONSIDERATIONS / RESOLUTIONS

This matter has not previously been considered by Council.

REPORT/BACKGROUND

Council went out to open market tender process for the Port Douglas Principal Cycle Network Upgrade project. Tenders were released on 05 January 2026 and closed on 11 February 2026.

Five tenderers submitted responses, all tenderers were conforming and were evaluated based on price (40%), technical capacity (20%), Methodology (20%), program (10%), and Business profile (10%). This specific weighting was applied to reflect each criterion's relevance to the project's risk profile. This approach ensures a successful outcome and best value in alignment with Council's procurement policies.

Based on the results of the evaluation, the Trustee for Hatzis Family Trust (trading as C&M Contracting Services) is the recommended tenderer for the contract 2025-6763 Port Douglas Principal Cycle Network Upgrade. the Trustee for Hatzis Family Trust (trading as C&M

Contracting Services) Provided a competitive price and have the relevant experience to build the Principal Cycle Network. C&M Contracting services submission meets all the required technical criteria and is within budget when separable portion 4 (provisional sum items) is removed.

FINANCIAL AND RESOURCE IMPLICATIONS

Financial Implications:

The Port Douglas Road Principal Cycle Network Upgrade is being funded by three parties, the Active Transport Fund (ATF), Roads to Recovery (R2R) and Douglas Shire Council (DSC). The project will be split over three financial years to manage the Council contribution required. Councils' contribution will be coming from the Footpath Renewal Program over the next three financial years (2025-26 to 2027-28), all parties will be contributing a total of \$858,400 each year.

Funding Source	%	2025-26	2026-27	2027-28	Total
Active Transport Fund	50%	\$ 429,220.00	\$ 429,220.00	\$ 429,220.00	\$1,287,660.00
Roads to Recovery	25%	\$ 214,610.00	\$ 214,610.00	\$ 214,610.00	\$ 643,830.00
Douglas Shire Council	25%	\$ 214,610.00	\$ 214,610.00	\$ 214,610.00	\$ 643,830.00
Total	100%	\$ 858,440.00	\$ 858,440.00	\$ 858,440.00	\$2,575,320.00

The contract for the Port Douglas Principal Cycle Network Upgrade has been structured into four separable portions of work to allow delivery of the project across three financial years. This approach ensures the works are staged appropriately to align with Council's budget allocations and manage Council's financial contributions over the duration of the project.

The fourth separable portion has been included as a provisional sum item to provide flexibility should tendered prices exceed the available project budget. This allows Council to adjust the scope of works if required while maintaining the overall project objectives. Due to the tender submissions pricing exceeded the available project budget the provisional sum item has been removed from scope.

Separable Portions	Locations	Chainage	Distance (meters)	Start Date	Completion Date
1	Lakeland Ave to south road intersection of Reef Resort Villas	0-740	740m	April 2026	November 2026
2	South road intersection of Reef Resort Villas to Atoll close	740-1420	680m	March 2027	June 2027
3	Atoll Close to Bale Drive	1420-1730	310m	July 2027	November 2027

4 (provision Sum Item)	Bale Drive to bridge section	1730-2017	287m	July 2027	November 2027
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Resourcing implications:

Project delivery will be managed by the Infrastructure Planning and Delivery team with support from the Maintenance and Operational team. No additional permanent staffing resources are required for this project.

Some of the financial risks/consequence if Council does not approve this report include: Financial perspective will be losing external grant funding allocated to the project due to milestones not being met. This will reduce Council's ability to secure future funding opportunities.

RISK MANAGEMENT IMPLICATIONS

Construction risks include potential delays due to adverse weather conditions, unforeseen ground conditions, or conflict with underground services. These risks will be mitigated through appropriate site investigations, contractor management, and scheduling of works to minimize disruptions

ENVIRONMENTAL IMPLICATIONS

Environmental management was assessed as part of the non-price evaluation criteria. The recommended tenderer demonstrated appropriate environmental management system and controls.

SOCIAL IMPLICATIONS

The project support community safety, access, and resilience by upgrading pathway infrastructure. Provide local employment opportunities as part of the recommended tenderers delivery approach.

CORPORATE AND OPERATIONAL PLAN

This report has been prepared in accordance with the following:

Corporate Plan 2025-2030 Initiatives:

Theme 1 - Livability

To deliver community activities to promote safe, healthy, inclusive and socially engaged communities with environment conscious.

1.4 - Promote inclusivity, connection and accessibility for individuals/people of all abilities.

Operational Plan 2025-2026 Actions:

1.4.2 - Deliver year 2 of the 3-year Port Douglas Principal Cycle Network in accordance with funding allocated.

LEGISLATION AND POLICY

Local Government Regulations 2012

CONSULTATION

Internal:

Infrastructure Planning & Delivery staff
Maintenance & operation staff

External:

Active Transport Fund
Roads to Recovery
Department of Transport and Main Roads
Community engagement will commence after the contract award.

CONCLUSION

Based on the outcomes of the evaluation process, the evaluation panel recommends awarding Contract 2025-6763 to the Trustee for Hatzis Family Trust (trading as C&M Contracting Services).

C&M Contracting Services demonstrated the strongest overall capability, combining delivery experience, local business, robust and realistic methodology, and a credible program of work. When assessed against both price and non-price criteria, the submission represents the best overall value for money and provides confidence in timely and compliant project delivery.

ATTACHMENTS

Nil