

5.7. COUNCIL COMMITMENT TO FUNDING - DIGGERS BRIDGE REPLACEMENT PROJECT

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DEPARTMENT Corporate Services

RECOMMENDATION

That Council:

- **confirms its commitment to match the Bridge Renewal Program Round Three Grant funding on a 50/50 basis (\$1,339,250) and will include this commitment in the 2017/18 budget review and future budgets as required; and**
 - **delegates to the Chief Executive Officer the authority under section 257 of the *Local Government Act 2009*, to finalise all matters associated with this funding agreement.**
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EXECUTIVE SUMMARY

In September 2017, Council received advice that it had been successful in a grant funding application under the Bridge Renewal Program Round Three for the Diggers Bridge Replacement Project. Total cost of the project is \$2,678,500 and grant funding is for 50% of this project, \$1,339,250. In order to confirm the grant funding Council has to agree and approve a commitment for its 50% share of project costs.

COMMENT

To accept the offer of grant funding, the Department of Infrastructure and Regional Development has supplied an Offer of Funding document which must be executed and returned to confirm Council will match the project funding on a 50/50 basis. This commitment of funding was to be included with the 2017/2018 budget review however the above resolution is required because the Department of Infrastructure and Regional Development requires the Offer of Funding to be returned now otherwise Council could be at risk of losing the grant funding opportunity.

The design and permits have been completed and the project is "shovel ready". It is anticipated that Council will call for tenders for the bridge construction in February 2018 and the actual work is expected to commence in the period May 2018 to June 2018. To satisfy the project milestone the construction has to be completed by 31 December 2019.

PROPOSAL

That Council confirms to the Department of Infrastructure and Regional Development its commitment to match the grant funding of \$1,339,250 for the Diggers Bridge Replacement Project.

FINANCIAL/RESOURCE IMPLICATIONS

Recent bridge inspections revealed that the Diggers Bridge, being essential infrastructure, needed renewal. Therefore securing this Federal Government grant funding to deliver on the Diggers Bridge Renewal Project greatly reduces the construction costs onus on rate payers.

RISK MANAGEMENT IMPLICATIONS

Diggers Bridge will be replaced with a box culvert structure which will increase the current load limit, increase the number of lanes and will significantly extend the operational life of the bridge. This new structure will mitigate the risk associated with the current ageing infrastructure and will deliver enhanced social and economic benefits for the industries currently operating in the Mowbray Valley.

CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

Corporate Plan 2014-2019 Initiatives:

Theme 2 - Building a Sustainable Economic Base

2.1.1 - Develop management plans for all Council assets and adequately resource their implementation.

Theme 5 – Governance

5.1.1 - Establish and develop long term financial, resource and infrastructure planning to ensure ongoing capacity to fund operations and capital works programs.

Operational Plan 2017-2018 Actions:

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:

Fully-Responsible Funding the full cost of a program or activity

ATTACHMENTS

Nil