

Agenda

Special Meeting (Region Making Projects)

Thursday, 22 February 2018

commencing at 2:00pm

Council Chambers, Cnr Currie and Bury Streets, Nambour

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1 DECLARATION OF OPENING

On establishing there is a quorum, the Chair will declare the meeting open.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE**3 OBLIGATIONS OF COUNCILLORS****3.1 DECLARATION OF MATERIAL PERSONAL INTEREST ON ANY ITEM OF BUSINESS**

Pursuant to Section 172 of the *Local Government Act 2009*, a councillor who has a material personal interest in an issue to be considered at a meeting of the local government, or any of its committees must –

- (a) inform the meeting of the councillor's material personal interest in the matter; and
- (b) leave the meeting room (including any area set aside for the public), and stay out of the meeting room while the matter is being discussed and voted on.

3.2 DECLARATION OF CONFLICT OF INTEREST ON ANY ITEM OF BUSINESS

Pursuant to Section 173 of the *Local Government Act 2009*, a councillor who has a real or perceived conflict of interest in a matter to be considered at a meeting of the local government, or any of its committees must inform the meeting about the councillor's personal interest the matter and if the councillor participates in the meeting in relation to the matter, how the councillor intends to deal with the real or perceived conflict of interest.

4 REPORTS DIRECT TO COUNCIL**4.1 OFFICE OF THE CEO****4.1.1 SUNCENTRAL MAROOCHYDORE UPDATE****File No:** Council meetings**Authors:** Project Director
Office of the CEO
Group Executive
Liveability & Natural Assets Group**Attachments:** Att 1 - SunCentral Maroochydore Shareholder Representative
Group Charter 2018 19

PURPOSE

This report provides an overall summary of the Maroochydore City Centre Project to date.

EXECUTIVE SUMMARY

This report provides an update on the Maroochydore City Centre (MCC) project. More specifically, it deals with an updating of the more significant project delivery activities undertaken in the reporting period. Construction progress onsite for Stage 1A has continued, with the majority of the very significant underground infrastructure and services now in place. The construction focus now turns to 'surface level' road and associated civil works that will be the more visible parts of the completed City Centre.

The Shareholder Representative Group (SRG) Charter required updates to reflect recent Sunshine Coast Council staff and title changes at the Board of Management level and additionally minor amendments were made to the Charter to strengthen the responsibilities of the SRG.

Progress is being made on the Sunshine Coast City Hall project with a Base Building Brief being formulated and negotiations continuing with the development partner.

Construction of the Aerodrome Road intersection and other contract works are progressing well. The construction of the new kerb, footpath and landscaping is now complete along the north-west corner of Aerodrome Road and First Avenue. The installation of the new traffic light mast arm is installed and has been commissioned. All of the services and underground infrastructure has been installed along the northern road verge of Aerodrome Road and the exposed concrete footpath is currently being constructed in this location which will be followed by landscaping works. This is scheduled for completion in early February 2018. Construction crews have recently established on the southern road verge. Re-routing of pedestrians through a new temporary footpath has been completed and demolition of the old footpath has commenced in this area. Procurement of the landscaping plants and arbor structure has commenced and the installation of traffic signal poles and multi-function light poles is currently underway across all areas of the site. All service relocations have progressed well and have formed a large component of both the day and night works to-date. A major milestone, the undergrounding of electrical overhead lines on Aerodrome Road was completed last year, with all new Energex services now live. Overhead lines and original poles have now been removed from Aerodrome Road. In addition, all UnityWater works are now complete and live. Most telecommunication providers have completed their scope of works and have completed switch-overs to the new infrastructure.

Council's value engineering review of the AWCS Transfer Station building design is complete and cost savings have been achieved.

Precinct Plans for Precincts 5 & 6 and PDA Development Permit for a Reconfiguration of a lot (5 lots into 25 lots) were issued on 30 November 2017. The approval of the Precinct Plans for Precincts 5 & 6 means that SunCentral now has Precinct plan approvals in place for each of the PDA Precincts enabling future MCU and Reconfiguration of lot applications to be submitted. An application for a Development Permit was lodged with EDQ on 6 December 2017 for development within Precinct 8 of the PDA. The proposed development comprises Showrooms (new Spotlight store), Food and Drink outlets and markets. Council officers provided comments to EDQ on 22 December 2017. The application is currently pending decision by EDQ.

The Maroochydore Technical Reference Group for the Maroochydore City Centre Priority Development Area project continues to meet on a monthly basis with the SunCentral management team and provide direction and oversight of the design development process. The TRG works in a consultative capacity ensuring that all specialist urban design, traffic engineering, community asset, accessibility, open space and landscaping specification knowledge and expertise within council are made available to ensure that the project receives full advantage of all expertise and value add resources currently available to council. The TRG continues to take on the role of the council approval authority to approve and sign off design details on behalf of council that covers all aspects of the public realm development, acting as council's asset steward and future owner and operator of all public realm assets that are created through the development.

The Smart City Implementation Group has been set up and comprises representatives from Infrastructure, IT services, Smart City, and SunCentral. The primary goal of the working group is implementation, and working on what has already been agreed and the actions that are required for them to be delivered on time. Smart City initiatives for Foundation Square are being progressed, including pits around the edge of the square which provide connection to wayfinding signage and potentially other future Smart City initiatives.

A meeting was held to review the scope of the Transit Centre design to agree on how much land DTMR required. The initial draft report prepared indicates that all the land identified in the Infrastructure Agreement for the transit interchange will be required. The alignment of Railway Street within the Corridor will also be determined.

OFFICER RECOMMENDATION

That Council:

- (a) receive and note the report titled "SunCentral Maroochydore Update" and**
- (b) note the SunCentral Maroochydore Shareholder Representative Group Charter 2018 (Attachment 1).**

FINANCE AND RESOURCING

There are no financial or resourcing impacts resulting from this report.

CORPORATE PLAN

Corporate Plan Goal: *An outstanding organisation*

Outcome: We serve our community by providing this great service

Operational Activity: S31 - Governance - providing internal leadership, legal opinion, governance and audit functions ensuring legislative accountability, transparency and ethical obligations are supported

CONSULTATION**Councillor Consultation**

Membership of the Shareholder Representative Group (SRG) comprises the following Councillors:

- Portfolio Councillor – Region Making Projects: Mayor Mark Jamieson (Chair)
- Portfolio Councillor – Corporate Strategy and Finance: Councillor Tim Dwyer
- Portfolio Councillor – Economic Development and Innovation: Councillor Stephen Robinson
- Divisional Councillor: Councillor John Connolly

Portfolio / Divisional Councillor Consultation:

- Portfolio Councillor – Place Development and Design: Councillor Peter Cox
- Portfolio Councillor – Transport, The Arts and Heritage: Councillor Rick Baberowski
- Local Divisional Councillors: Councillor Jason O’Pray and Councillor John Connolly

Internal Consultation

The following key personnel have been consulted:

- Sunshine Coast Council Chief Executive Officer
- Sunshine Coast Council Project Director
- Group Executive Built Infrastructure
- Group Executive Economic and Community Development
- Group Executive Liveability and Natural Assets
- Property Management Branch, Business Performance
- Transport Infrastructure Management Branch, Built Infrastructure
- Parks and Gardens Branch, Built Infrastructure
- Urban Growth Projects, Liveability and Natural Assets
- Transport and Infrastructure Policy Branch, Built Infrastructure
- SunCentral Development – Technical Reference Group

External Consultation

SunCentral Maroochydore CEO, John Knaggs and Project Staff

King, Wood & Mallesons in the provision of legal advice on a range of matters

Department of Transport and Main Roads, Maroochydore

Translink – Brisbane

Telecommunications Utilities such as Telstra, Optus etc.

Energex

UnityWater

Queensland Police Services

Maroochydore Revitalisation Association

General Public and Business Trader Community

Community Engagement

A Community Engagement Plan has been developed for the Aerodrome Road intersection upgrade Project in conjunction with the Maud Street intersection upgrades. A dedicated 1800 number has been set up for the project, in addition to a webpage which is updated as the project progresses.

Community Engagement to date has involved door-knocking and face to face meetings with residents and business owners in the surrounding areas, and issuing of regular newsletter updates with information such as proposed changes to road configurations and anticipated construction phasing.

PROPOSAL

SUNCENTRAL – CEO REPORT

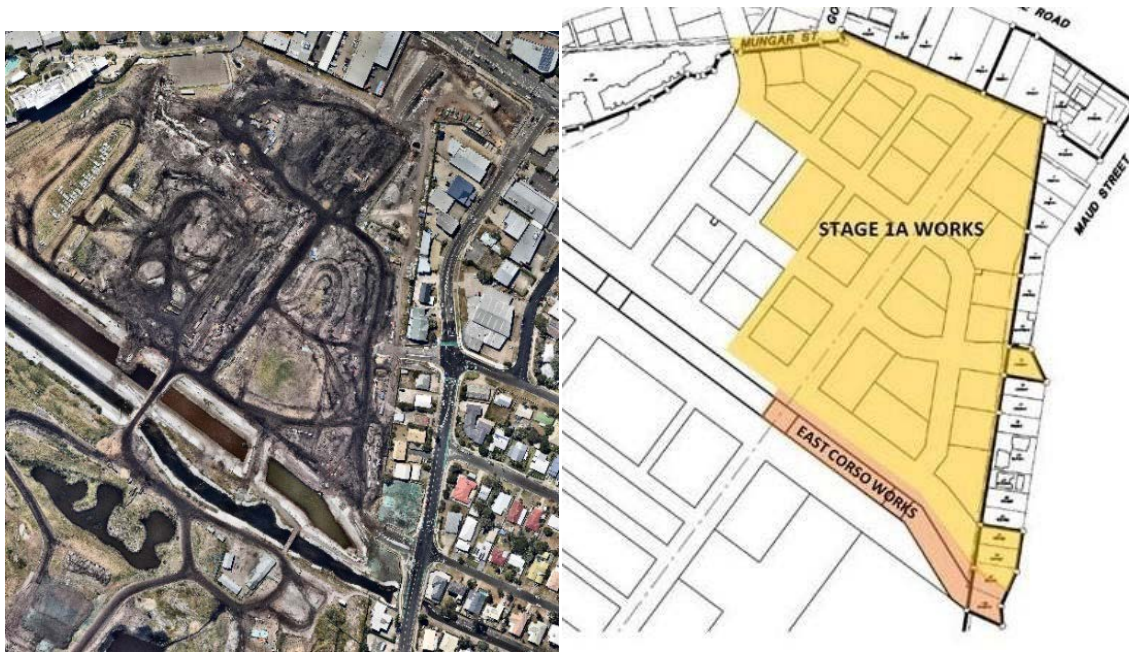
The Maroochydore City Centre (MCC) project report to the SRG, deals with the period October to December 2017 inclusive, and provides a high-level summary of the more significant project delivery activities undertaken in the reporting period and any associated project risks and opportunities. The report also looks back at highlights during 2017 and previews 2018. The following construction works are reported for the period.

Stage 1A main civil / subdivisions works – Construction progress onsite for Stage 1A has continued, with the majority of the very significant underground infrastructure and services now in place. The construction focus now turns to ‘surface level’ road and associated civil works that will be the more visible parts of the completed city centre. Towards the end of the reporting period, the first kerbs were laid at the eastern edge of the site and on the northern boundary of the site, Mungar Street fully reopened.

Upcoming stages – In the next reporting period it is expected that the East Corso works will commence, as will preparatory works for the AWCS southern connection line to the transfer station mid-site (south of the Corso). Site works will also begin for the AWCS transfer station being designed and constructed separately by SCRC.



Stage 1A – AWCS installation



Stage 1a and East Corso works



Mid 2017 – Maud St intersections completed

SUNCENTRAL MAROOCHYDORE SHAREHOLDER REFERENCE GROUP CHARTER AND GOVERNANCE

Council at its Ordinary Meeting on the 11 December 2014, established a Shareholder Representative Group consisting of Mayor, Regional Projects Portfolio Councillor and Divisional Councillor along with officers as determined by the Chief Executive Officer. As a result, the SunCentral Maroochydores Shareholder Representative Group (SRG) was established to oversee the interests of Sunshine Coast Council and its community relating to the activities of SunCentral Maroochydores Pty Ltd (the Company) in the development of the

Maroochydore City Centre Priority Development Area (MCC PDA). This Group operates under a Charter that sets out the purpose, responsibilities, membership (composition), protocols and procedures and authority. This Charter was originally signed off on the 24 June 2015 and was amended on 24 May 2016.

As a result of recent staffing and updated title changes at the Board of Management level, the Charter requires a further amendment to align it with these specific changes.

In addition, the Charter sets out further detail in regards to the responsibilities of the SRG. These have been slightly amended and updated to strengthen the responsibilities of the SRG and include the following:

- point 2 includes the words bracketed (time, program, budget, risk and KPI's);
- a new point 3 has been included which states "act as a representative of Council to ensure the Project is delivering on the recommendations of the Shareholder."

SUNSHINE COAST CITY HALL – THE SMART MOVE UPDATE

The Sunshine Coast City Hall project is progressing with a Base Building Brief being formulated and negotiations with the development partner are continuing.

AERODROME ROAD INTERSECTION & OTHER CONTRACTS

MAROOCHYDORE CITY CENTRE

The design and construction is progressing well. Deliverables to date include:

- Completion of the Stage 1A bulk earthworks;
- Completion of the re-location of the 11kv electricity cable;
- Completion of sewage and stormwater augmentation;
- Completion of the Maud Street intersections (Bungama St. & Dalby St.);
- Precinct Plan/s for Precinct's 1,2,3,4 & 7 approved;
- Precinct Plan/s for Precinct's 5 & 6 lodged with EDQ, approval expected Q3 FY2017/18;
- 55% completion of the Stage 1A civil, electrical, telecommunications and landscaping works; and
- 80% completion of the Stage 1A AWCS installation.

The next construction work packages are:

Stage 1A2 East Corso revetment wall and drainage channel works - Preliminary design of the Corso package is ongoing with advanced concepts presented to the TRG for review and 'in principle' support prior to advancing the detailed design phase.

Main Street Blvd Bridge construction - SCM has undertaken a review of the bridge design with Shadforth and Cardno with a view to determining and certifying its optimum construction in an interim form. The proposed works will deliver a single 'one way' trafficable lane providing construction vehicle access across the Maud channel as well as an infrastructure service duct to accommodate the AWCS pipeline and sewer rising main.

AWCS transfer station - Council's value engineering review of the AWCS Transfer Station building design is complete and cost savings have been achieved.

AERODROME ROAD INTERSECTION UPGRADE

Construction of this key intersection is now ten (10) months into construction after commencing in early April 2017 with Council's Civil Asset Management (CAM) team as the Principal Contractor and Project Delivery – Civil Projects undertaking Project Management of this project.

Aerodrome Road is part of the Department of Transport and Main Roads (DTMR) network and as such, the design element of the project has undergone extensive review processes in conjunction with DTMR. DTMR have now provided formal approval to proceed with construction works on their corridor, with all design documentation now delivered to DTMR. A design exception report received final sign off from DTMR on 27th November 2017 and is now finalised and in hand.

Construction works to-date have progressed well, with good progress now complete on most of the storm water infrastructure. The location of the site typically poses a high water table, which is problematic in underground works, and in sandy environments. Major storm water infrastructure upgrades are now complete across majority of the site.

Construction on the north-west corner of Aerodrome Road and First Avenue progressed well at the end of 2017. The construction of the new kerb, footpath and landscaping is now complete along this frontage. The installation of the new traffic light mast arm is installed and has been commissioned.

All of the services and underground infrastructure has been installed along the northern road verge of Aerodrome Road and the exposed concrete footpath is currently being constructed in this location which will be followed by landscaping works. This is scheduled for completion in early February 2018.

Construction crews have recently established on the southern road verge. Re-routing of pedestrians through a new temporary footpath has been completed and demolition of the old footpath has commenced in this area. A scheduled traffic switch in the second week of February will allow further construction to be undertaken to form a new pavement and road verge in this area. Procurement of the landscaping plants and arbor structure has commenced and the installation of traffic signal poles and multi-function light poles is currently underway across all areas of the site.

All service relocations have progressed well and have formed a large component of both the day and night works to-date. A major milestone, the undergrounding of electrical overhead lines on Aerodrome Road was completed last year, with all new Energex services now live. Overhead lines and original poles have now been removed from Aerodrome Road. In addition, all UnityWater works are now complete and live.

Most telecommunication providers have completed their scope of works and have completed switch-overs to the new infrastructure. NBN are the only outstanding service provider that have not completed switch-overs. NBN recently advised that their cut-over date has been delayed, with revised cut-over date now scheduled for 7th February 2018. To mitigate delays in this area, the project team has commenced early works such as establishment, demolition and site preparation works in the section to work around the cut-over works.

Consultation activities are well advanced with external public relations consultants and project staff meeting and providing regular updates to the general public and business traders.

All major contracts have now been let for the project, inclusive of the electrical pit and pipe infrastructure, new water main installation, signals and lighting and landscaping works. Procurement of the landscaping plants and arbor structure has also now commenced.



Aerodrome Rd North West Road Verge Construction



Aerodrome Rd North West Road Verge Construction



Aerodrome Rd North West Road Verge



Installation of Traffic Signals and Light Poles during Nightworks

PLANNING MATTERS**Maroochydore City Centre PDA Development Applications**

SunCentral Applications

Precinct Plans for Precincts 5 & 6 and PDA Development Permit for a Reconfiguration of a lot (5 lots into 25 lots) were issued on 30 November 2017. The approval of the Precinct Plans for Precincts 5 & 6 means that SunCentral now has Precinct plan approvals in place for each of the PDA Precincts enabling future MCU and Reconfiguration of lot applications to be submitted.

Other PDA Applications

An application for a Development Permit was lodged with EDQ on 6 December 2017 for development within Precinct 8 of the PDA. The proposed development comprises Showrooms (new Spotlight store), Food and Drink outlets and markets. Council officers provided comments to EDQ on 22 December 2017. The application is currently pending decision by EDQ.

Current Activities and Issues

Urban Growth Projects officers continue to meet regularly with the SunCentral team through attendance at monthly Technical Reference Group meetings, and meetings as required to progress and facilitate planning applications with officers from Economic Development Queensland.

MAROOCHYDORE TECHNICAL REFERENCE GROUP UPDATE

The Maroochydore Technical Reference Group for the Maroochydore City Centre Priority Development Area (MCC PDA, "the PDA") project continues to meet on a monthly basis with the SunCentral management team and provide direction and oversight of the design development process.

Since the last Shareholders Reference Group, considerable progress continues to be made on a wide range of elements, including:

- The Landowners Consent in relation to ROL 1 has been granted.
- Confirmation from Energex that the full build of Stage 1 is catered for with current electricity feeds to the MCC site.
- Agreement on the Smart City inclusions required to be delivered as part of Stage 1A.
- Proposed Budget Review 2 inclusion of funding and assignment of resources to implement agreed Smart City infrastructure.
- Agreement on the Wayfinding Digital Signage for installation in both MCC Stage 1A and the Aerodrome Rd Intersection project.
- Ex-ground tree stock inspections and minor adjustments to shrubs and ground cover planting to offer best mix of colour and form suitable for the city centre.
- Progression of scope review regarding land requirements identified in the Infrastructure Agreement (IA) for the Transit Centre.
- Review of the Preliminary Concept Design for the Corso East and preparation of detailed design procurement for the Corso East.
- Progression of discussions related to management of waste during public events resulting in AWCS bin inclusions at specific locations with commercial specification sizing.
- Further investigations on the opportunity to include Floating Wetlands as the primary method for water quality treatment.
- Ongoing discussions regarding any merits or disadvantages of recycled water usage on the site as a city centre.
- Agreement to commission a third party Engineering peer review of the AWCS pipe welding and installation procedure in an effort to improve future works.

- Agreement that the AWCS Collection Station proceed as per cost value engineering design to avoid delays which could impact commercial dealings obligations.

The TRG works in a consultative capacity ensuring that all specialist urban design, traffic engineering, community asset, accessibility, open space and landscaping specification knowledge and expertise within council are made available to ensure that the project receives full advantage of all expertise and value add resources currently available to council.

The TRG continues to take on the role of the council approval authority to approve and sign off design details on behalf of council that covers all aspects of the public realm development, acting as council's asset steward and future owner and operator of all public realm assets that are created through the development (i.e. similar to the operational works process undertaken within the council planning scheme approval process for development).

Smart City components

The Smart City Implementation Group has been set up and comprises representatives from Infrastructure, IT services, Smart City, and SunCentral. The primary goal of the working group is implementation, and working on what has already been agreed and the actions that are required for them to be delivered on time.

Foundation Square will also have a three phase power and Smart City ducting provided to the two multi-use poles plus the shelter/stage area. Smart City pits are located around the edge of the square which provide connection to wayfinding signage and potentially other future Smart City initiatives.

Urban design update

Wayfinding signage design is well underway with DotDash who have produced footing details and plan layouts for location of wayfinding signage, including selected digital screens.

Ex-ground tree stock inspections and minor adjustments to shrubs and ground cover planting to offer best mix of colour and form that are suitable for the city Centre are occurring along with confirmation on sealants for pathways and street furniture material costs.

Enquiry by Design for the Transit Centre

A meeting was held to review the scope of the design to agree on how much land DTMR required. The draft report indicates that all the land identified in the Infrastructure Agreement for the transit interchange will be required. The alignment of Railway Street within the Corridor will also be determined.

Legal

Council's Legal Team have provided advice on all relevant Legal matters with some oversight of various legal agreements by King, Wood & Mallesons.

Policy

Works are progressing in accordance with Council's adopted Maroochydore City Centre Priority Development (PDA) Development Scheme.

Risk

All design items and construction activities are subject to evaluation and risk assessments which are undertaken as required, in the context of the Central Business District delivery timeframes.

Previous Council Resolution**Council Resolution (SM17/47) - Special Meeting 23 November 2017**

That Council authorise the Chief Executive Officer to proceed as discussed in confidential session in relation to the Strategic Planning and Development issues identified for the Maroochydore City Centre.

Related Documentation

Maroochydore City Centre Infrastructure Agreement 2017
Maroochydore City Centre Water Infrastructure Agreement 2017
Maroochydore City Centre PDA Development Scheme
SunCentral Maroochydore Pty Ltd Shareholder Representative Group Charter dated February 2018

Critical Dates

MCC - Civil Works Stage 1A Practical Completion – Mid June 2018
Aerodrome Road Signalled Intersection Upgrade – Road Opening – July 2018
Stage 1A - Smart City Solution inclusion - July 2018

Implementation

The Shareholder Representative Group (SRG) will continue to oversee the delivery of the Maroochydore City Centre with our development partner SunCentral and continue to work within the adopted Charter and Governance Model.



SunCentral Maroochydore Pty Ltd Shareholder Representative Group

CHARTER

Purpose

The purpose of the SunCentral Maroochydore Shareholder Representative Group (SRG) is to oversee the interests of Sunshine Coast Council and its community relating to the activities of SunCentral Maroochydore Pty Ltd (the Company).

Background

SunCentral Maroochydore Pty Ltd is the Corporations Law Company established to progress the development of the Maroochydore City Centre project (the Project). The Shareholder, in respect of this Charter, is Sunshine Coast Council.

By delegation from Council, the Chief Executive Officer is Council's Shareholder Representative. The Shareholder Representative has responsibility for governance matters in relation to the Company on behalf of Council.

A Technical Reference Group (TRG) has been established with the key role of managing and administering the technical design and specification of all constructed Council-owned assets related to the Project.

Responsibilities of the SunCentral Maroochydore Shareholder Representative Group

1. Act as representative of Council in setting the strategic direction for the Project.
2. Monitor the progress (time, program, budget, risk and KPI's) of the Project.
3. Act as a representative of Council to ensure the Project is delivering on the recommendations of the Shareholder.
4. Provide advice and recommendations to the Shareholder Representative.
5. Consider advice from the Technical Reference Group.
6. Provide direction to the Technical Reference Group.
7. Coordinate the performance review of the SunCentral Maroochydore Pty Ltd Board on behalf of Council.

Membership

- Portfolio Councillor – Region Making Projects: Mayor Mark Jamieson, Chair
- Portfolio Councillor – Corporate Strategy and Finance: Councillor Tim Dwyer
- Portfolio Councillor – Economic Development and Innovation: Councillor Stephen Robinson

- Divisional Councillor: Councillor John Connolly
- Chief Executive Officer: Michael Whittaker
- Project Director: Debra Robinson
- Chief Strategy Officer: Graham Fraine
- Group Executive Built Infrastructure: Tom Jamieson
- Group Executive Liveability & Natural Assets: Warren Bunker

Meeting protocols and procedures

- The Chair is responsible for scheduling meetings on an as needs basis and may call special meetings, as required, and conduct meetings by tele/video conference and by flying minute.
- The Shareholder Representative is responsible for overseeing agendas and minutes, including distribution of the agenda and minutes, and maintaining a list of outstanding matters.
- A quorum is five members of the Shareholder Representative Group.
- Members of the SunCentral Maroochydore Shareholder Representative Group may nominate a Chair for a meeting if the appointed Chair is not available.
- Non SunCentral Maroochydore Shareholder Representative Group members may be invited by the Chair to attend meetings to discuss issues associated with the Project.
- All matters considered by the SunCentral Maroochydore Shareholder Representative Group are treated as commercial-in-confidence and are not to be disclosed to any party unless otherwise agreed to by the Chief Executive Officer.
- Members are responsible for the declaration and management of any conflicts of interest on items considered by the SunCentral Maroochydore Shareholder Representative Group.

Authority

The Charter of the SunCentral Maroochydore Shareholder Representative Group is authorised by the Chief Executive Officer and may be amended from time to time.

Authorised _____ Date _____
Michael Whittaker
Chief Executive Officer, Sunshine Coast Council

4.2 ECONOMIC AND COMMUNITY DEVELOPMENT

4.2.1 SUNSHINE COAST AIRPORT EXPANSION PROJECT - UPDATE

File No:	SCAEP Quarterly Report
Author:	Project Director (Sunshine Coast Airport Expansion) Economic & Community Development Group
Attachments:	Att 1 - Design & Construction Contract Update - <i>Confidential</i> - to be provided

PURPOSE

The purpose of this report is to provide Council with a progress update on the delivery of the Sunshine Coast Airport Expansion Project (SCAEP or the Project).

EXECUTIVE SUMMARY

The program schedule for the delivery of both preliminary and early works activities continue to progress well and in accordance with the program.

At the time of writing, there are currently two contracts that are yet to be awarded, the Runway Design and Construction Contract and the Contract Administrator Contract.

Tender for the Runway Design and Construction Contract closed on 7 November 2017, with five high calibre submissions being received from the short-listed Respondents. Tender evaluations were undertaken during November 2017 and discussions have now been held with the successful tenderer.

The tender for the Contract Administrator (ITT1715) closed on 23 January 2018, with 9 submissions being received. Evaluation of the submissions are currently being undertaken and a contract should be awarded by late February 2018.

The following contracts were awarded during the quarter:

- Energex Civil Works – Finland Road, Marcoola.
- Historian
- Anthropologist
- Mt Emu She Oak Translocation
- Time Lapse Photography

The required environmental approvals necessary to enable the project have progressed further with:

- six applications now having been lodged formally and still under review
- twelve applications having been approved to date
- Thirteen further applications/ amendments to be lodged (includes 4 already been approved applications)
- four to be submitted in 2018 by the successful contractor (2 have been lodged by SCAEP)
- seven identified as being no longer required.

On 5 February 2018, Runway 12/30 was officially closed to allow for the commencement of project works. A NOTAM (A Notice to Airmen) was issued by Sunshine Coast Airport, notifying users of the airport of the runway closure.

A final draft of Cultural Heritage Management Plan (the Plan) was presented to the Kabi Kabi First National Claimant Representative Group at a meeting on 13 December 2017. The Plan was endorsed by the Claimant Group and signing of the Plan will be undertaken in late February 2018.

Discussions continue with Airservices Australia in regards to the Air Traffic Control (ATC) Tower in relation to planning control tower operations for the new runway. The transaction for the transfer of commonwealth (Lot 898) per the Heads of Agreement was finalised at the end of November 2017.

Relocation of the power lines from Finland Road to the Motorway boundary being undertaken by Energex is at 95% complete. The remaining work is currently scheduled to be completed by late February 2018.

The Energex Civil Works undertaken to provide access to the relocated power lines and to lay conduits for the underground power supply has been completed in mid-January 2018.

OFFICER RECOMMENDATION

That Council receive and note the report titled “Sunshine Coast Airport Expansion Project – Design and Construction Update”.

FINANCE AND RESOURCING

The program schedule continues to meet the forecasted expenditure for 2017/18.

The successful tenderer has provided their forecast cash flow and this have been incorporated into the Project’s cash flow. The projects cash flow includes programs such as the Finland Road Upgrade and Finance & Management costs.

Council undertook a Budget Review in January 2018 and due to the delayed contract award, it was recommended that \$17 million be deferred from the 2017/18 budget to next financial year.

The Project Team

The team continue to manage and administer the project activities and the mandatory governance requirements to deliver a project of this calibre and that schedules continue to be met.

In December 2017 the Health Safety & Environment Officer commenced with the team providing support with environmental field works and regulatory requirements.

External consultants continue to be engaged to acquire the mandatory environmental approvals required prior to the commencement of the construction works.

CORPORATE PLAN

Corporate Plan Goal: *A smart economy*

Outcome: 1.2 - New capital investment in the region

Operational Activity: 1.2.6 - Continue works on the construction of the new runway, including appointment of design and construction contractors.

CONSULTATION

Councillor Consultation

Following the award of the Design and Construct contract, there will be a review undertaken of the Project Control Group that was established to guide the implementation of the funding strategy for the project.

Internal Consultation

- Group Executive Economic and Community Development
- Group Executive Built Infrastructure
- Acting Group Executive Business Performance
- Procurement Specialist
- Solicitor, Legal Services Branch
- Consultant Advisor

External Consultation

- Arthur J Gallagher
- Beca Consulting Pty Ltd
- Converge Heritage and Community
- Energex Ltd
- Jacobs Group
- Kabi Kabi First Nation People Claimant Representatives
- King & Wood Mallesons
- Unitywater

The Transition Project Control Group (Sunshine Coast Airport) attended by two representatives each from Council and from the airport operator – Palisade Investment Partners – met on 24 January 2018.

The Department of State Development auspiced Sunshine Coast Airport Economic Strategic Oversight Committee met on 3 November 2017 for a general overview of the Project.

Community Engagement

The Project Environmental Impact Statement (EIS) and the Additional Environmental Impact Statement (AEIS) were made available for public consultation in 2014 and 2015 respectively.

Sunshine Coast Airport and Project Team representatives has completed engagement with the Sunshine Coast Airport airside tenants to provide updates on planned alterations to operational capabilities at the Airport.

Aviation Forum

The Project Director (Sunshine Coast Airport Expansion) has continued to accept invitations from community groups to provide presentations on the Project.

PROPOSAL

The early and preliminary works activities progressed well this quarter with several environmental approvals and permits being sought and civil works activities being completed,

Tender for the Runway Construction Contract closed on 7 November 2017, with five high calibre submissions being received from the short-listed Respondents. The five tenders were deemed conforming and were independently evaluated and rated by members of the Evaluation Panel in accordance with the Procurement Probity Plan Evaluation Criteria.

A two tiered evaluation process was undertaken to evaluate the submissions in a manner consistent with the Evaluation Criteria as set out in the Phase 1 – Evaluation Plan.

Council's legal advisors and external legal representatives continued to finalise the Design and Construction Contract and Interface Schedules.

Evaluations were undertaken on the five submissions and a recommendation was made to the Chief Executive Officer to shortlist to three Respondents who would then be invited to attend interviews to further inform the evaluation process.

The three shortlisted Respondents were interviewed on Tuesday, 21 November 2017 and a subsequent report presented at the Special Council Meeting on 30 November 2017.

The tender for the Contractor Administrator (ITT1715) was advertised inviting submissions on 23 December 2017. The tender closed on 23 January 2018 with 9 submissions being received. Evaluation of the submissions are currently being undertaken and a contract should be awarded by late February 2018.

Works Packages

Work packages continue to progress for both Enabling Activities and Preliminary Works in a timely manner and include:

1. Enabling activities

1.1 Environmental Approval Submissions

The original ERA 16 was approved on 29 September 2017 and due to extending the runway to the north-west a revised application is required. Received advice from the Office of the Coordinator-General and the Department of Environment and Science on the requirements of the lodgement. Will have the draft amendment reviewed by the department in mid-February 2018 prior to submission.

An update was provided by the Department of Agriculture and Fisheries regarding the White Spot Disease, confirming that the movement restriction remained enforced from Caloundra to the boarder of New South Wales.

1.2 Dredge Sand Volume

Discussions were held with the Department of Environment and Science in December 2017 to identify measures to minimise any additional requirement. A letter was sent to the department to commence the process of extending approvals for the dredge sand volume.

An Offshore Cultural Heritage Management Plan will be required between Council and the Traditional Owners of the Moreton Bay area, Quandamooka People for the dredging of sand within native title area.

1.3 Mt Emu She-oak Translocation

The contract for the Mt Emu She-oak Translocation program was awarded to Future-Plus Environment on 1 December 2017. Works commenced on 2 January 2018.

Translocation has now occurred with approximately 200 trees relocated to the northern part of the project site. The translocation has now been completed with compliance and maintenance underway.

1.4 Cultural Heritage Management Plan

A final draft of the Cultural Heritage Management Plan (the Plan) was presented to the Kabi Kabi First National Claimant Representative Group at a meeting on 13 December 2017. At this meeting presentations were given by the Geomorphologist on the dunal methodological study and findings and anthropological research of Kabi Kabi by the contracted Anthropologist. The Claimant Group's legal advisor has confirmed the group

has endorsed the Plan, in late January 2018. The signing of the Plan is currently being arranged for late February 2018 by Council's Mayor, the Claimant Group and Elders of the Kabi Kabi.

1.5 Public Utility Plant Relocations

The Energex Civil Works – Finland Road, Marcoola Contract was awarded to Shadforth's Civil Pty Ltd on 22 September 2017. The delivery requirements include providing access to the relocated power lines and to lay conduits for the underground power supply has been completed in mid-January 2018.

Relocation of the power lines from Finland Road to the Motorway boundary being undertaken by Energex is at 95% complete. The remaining work is currently scheduled to be completed by late February 2018.

2. Preliminary Works

2.1 Air Traffic Control (ATC) Tower

Discussions continue with Airservices Australia in regards to the Air Traffic Control (ATC) Tower. Airservices have advised that options analysis are being undertaken to determine the best outcome for the tower's operations with the new runway. The transaction for the transfer of Commonwealth Land (Lot 898) per the Heads of Agreement was finalised at the end of November 2017.

2.2 Water Monitoring

In August 2017, final Surface Water and Ground Water Quality reports, which summarised data from the 12 month monitoring programmes were presented to the Office of the Coordinator-General and the Department of Environment and Heritage Protection. Data from these reports has since been used to set compliance trigger levels to be used during the construction and post-construction phases.

2.3 Offset Delivery Plan

The final Offset Delivery Plan was submitted in December 2017 and accepted by Department of Environment and Science. This forms part of the wider environmental approvals required for the project.

2.4 Closure of Runway 12/30

On 5 February 2018, Runway 12/30 was officially closed to allow for the commencement of project works. A NOTAM (A Notice to Airmen) was issued by Sunshine Coast Airport, notifying users of the airport of the runway closure.

2.5 Finland Road Upgrade

The upgrade of Finland Road by Council's workforce is scheduled for final seal late February 2018 and line marking. An additional \$265,000 has been allocated as part of Budget Review 2 2017/18 for additional works including bitumen sealing and Energex works.

2.6 Time Lapse Photography

The contract to provide time lapse photography was awarded to Time Lapse Pty Ltd on 28 September 2017. Four cameras have been fitted to apposite positions to record progress on the site.

Project Program

With the Principals Reference Design now completed, the successful Runway Design & Construction Contractor will be responsible for the design with the novated design consultant.

The preliminary Works Program currently shows full commissioning by the end of 2020.

The Works Program has been updated following receipt of the Principal's Reference Design accurately reflecting the Work Breakdown Structure adopted in the development of the design.

State Government Approvals

A total of 20 State Government Agency approvals, permits or authorities will be required in accordance with the Coordinator-General's and the Minister for the Environment's over-arching approvals. A further seven approval components originally identified are no longer required.

Due to the extending the runway to the north-west, a revised application is required. Advice has been received from the Office of the Coordinator-General and the Department of Environment and Science on the requirements of the lodgment. A draft amendment will be reviewed by the department in mid-February 2018 prior to submission.

Legal

The construction of the Project will be subject to the procurement requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

Policy

Sunshine Coast Airport Master Plan 2007

Regional Economic Development Strategy 2013-2033.

Risk

The risk and opportunities register that includes the mitigation strategies for each identified risks continues to be reviewed and updated and are summarised below as being:

- Provision of Air Traffic Control services by Airservices Australia
- Variations to the runway design
- Tasks on the critical timeline not being completed on schedule
- Estimated costs being exceeded.

Previous Council Resolution**Council Resolution (SM17/50) Special Meeting 30 November 2017**

That Council authorise the Chief Executive Officer to negotiate and ultimately enter into a contract with the successful Respondent for the Runway Construction Contract.

Council Resolution (SM17/36) Special Meeting 17 August 2017

That Council receive and note the report titled "Sunshine Coast Airport Expansion Project – Design and Construction: Update.

Council Resolution (SM17/20) Special Meeting 18 May 2017

That Council receive and note the report titled "Sunshine Coast Airport Expansion Project – Design and Construction: Update.

Council Resolution (SM17/1) Special Meeting 23 February 2017

That Council receive and note the report titled "Sunshine Coast Airport Expansion Project – Construction: Update.

Council Resolution (SM16/13) Special Meeting 13 June 2016

That Council

- (a) *authorise the Chief Executive Officer to progress matters relating to this report, as discussed in confidential session, in relation to the Sunshine Coast Airport Expansion Project and*
- (b) *proceed with the calling of Expressions of Interest for parties wishing to partner with Council in the delivery of the Sunshine Coast Airport Expansion, in accordance with section 228 of the Local Government Regulation 2012, noting that the calling of Expressions of Interest is in the public interest for the following reason:*
 1. *that the process will allow Council to evaluate submissions with a view to identifying the solution which best aligns with the interests of the public and Council*

Council Resolution (OM16/12) Ordinary Meeting 28 January 2016

That Council

- (a) *receive and note the report titled "Sunshine Coast Airport Expansion Project Delivery Team" and*
- (b) *authorise the Chief Executive Officer to establish a Sunshine Coast Airport Expansion Project Delivery Team and implement a Project Governance Structure to oversee the delivery of the project.*

Related Documentation

- *Sunshine Coast Airport Expansion Project Environmental Impact Statement*
- *Sunshine Coast Airport Expansion Project Additional Information to the Environmental Impact Statement.*
- *Project Plan.* A detailed Project Plan has been prepared for the Project. The Project Plan will be reviewed and amended, as required, as the Project progresses through different stages.

Critical Dates

The critical activities associated with the delivery of the Project include acquiring the State Government Agency approvals, permits or authorities required in accordance with the Coordinator-General's and the Minister for the Environment's overarching approvals per the Environmental Impact Statement approval.

As per the environmental approvals, dredging must occur during the specified periods stated to ensure minimal impact on the marine and coastal environments.

The Runway Construction Contract Tender must be awarded as per the program in order to meet all future deliverables.

Implementation

Work as detailed in this report will continue.

5 CONFIDENTIAL SESSION

5.1 ECONOMIC AND COMMUNITY DEVELOPMENT

**5.1.1 CONFIDENTIAL - NOT FOR PUBLIC RELEASE - SUNSHINE COAST
INTERNATIONAL BROADBAND NETWORK PROJECT**

File No: Council meetings

Author: Group Executive
Economic & Community Development Group

This report is confidential in accordance with section 275 (e) of the *Local Government Regulation 2012* as it contains information relating to contracts proposed to be made by Council.

6 NEXT MEETING

Nil

7 MEETING CLOSURE