



**I hereby give notice that an Ordinary Meeting of Council will be held on:**

**Date: Tuesday, 8 September 2020**  
**Time: 9.00am**  
**Location: Administration Centre**  
**10 Furneaux Street**  
**Cooktown**

## **AGENDA AND BUSINESS PAPERS**

### **Ordinary Council Meeting**

**8 September 2020**

**Linda Cardew**  
**Chief Executive Officer**



## Order Of Business

<b>1</b>	<b>Agenda Contents</b> .....	<b>5</b>
<b>2</b>	<b>Attendance</b> .....	<b>5</b>
<b>3</b>	<b>Meeting Opened</b> .....	<b>5</b>
<b>4</b>	<b>Apologies</b> .....	<b>5</b>
<b>5</b>	<b>Acknowledgement of Country</b> .....	<b>5</b>
<b>6</b>	<b>Declarations of Interest</b> .....	<b>5</b>
<b>7</b>	<b>Mayoral Minute</b> .....	<b>6</b>
7.1	Mayoral Minute - Galalar Silica Sand Project - Proposal of a Cooktown Loading Option.....	6
<b>8</b>	<b>Notice of Bereavement</b> .....	<b>7</b>
<b>9</b>	<b>Confirmation of Minutes</b> .....	<b>7</b>
<b>10</b>	<b>Business Arising</b> .....	<b>7</b>
<b>11</b>	<b>Notified Motions</b> .....	<b>7</b>
	Nil	
<b>11A</b>	<b>Deputation</b> - Bowyer Group - re. Development Application DA/4144	
<b>12</b>	<b>Councillors' Reports</b> .....	<b>8</b>
12.1	Councillors' Monthly Reports.....	8
<b>13</b>	<b>Executive Services - Reports</b> .....	<b>10</b>
13.1	Chief Executive Officer's Monthly Report .....	10
13.2	Galalar Silica Sand Mine (Diatreme) - Draft Terms of Reference.....	11
13.3	Council in Focus - 1 April to 30 June 2020.....	16
<b>14</b>	<b>Community, Economy and Innovation - Reports</b> .....	<b>18</b>
14.1	Artwork - Reconciliation Rocks Project .....	18
<b>15</b>	<b>Organisational Business Services - Reports</b> .....	<b>21</b>
15.1	Financial Statements - August 2020.....	21
15.2	Procurement Policy .....	25
<b>16</b>	<b>Infrastructure - Reports</b> .....	<b>27</b>
16.1	Reconciliation Rocks - Update of Site Layout.....	27
<b>17</b>	<b>Confidential Reports</b> .....	<b>29</b>
17.1	Confidential Legal Matter.....	29
17.2	Compensation Agreement .....	29
17.3	Request for Commercial Rent Relief .....	29



**1 AGENDA CONTENTS****2 ATTENDANCE****3 MEETING OPENED****4 APOLOGIES****5 ACKNOWLEDGEMENT OF COUNTRY**

On behalf of all Councillors, the Mayor acknowledged the Waymburr Warra people, Traditional Custodians of the land on which we meet today, and paid respects to their Elders past, present and emerging.

**6 DECLARATIONS OF INTEREST**

**7 MAYORAL MINUTE****7.1 MAYORAL MINUTE - GALALAR SILICA SAND PROJECT - PROPOSAL OF A COOKTOWN LOADING OPTION**

**File Number:** D20/24790  
**Author:** Cr Peter Scott, Mayor  
**Authoriser:** Linda Cardew, Chief Executive Officer  
**Attachments:** Nil

**MAYORAL MINUTE**

That Cook Shire Council resolves to not support the Diatrema / Galalar Silica Sand Project proposal of a Cooktown Loading Option - as detailed in the Draft Terms of Reference.

**BACKGROUND**

This proposed option includes delivery, storage and barging sand via the Marton boat ramp / Endeavour River and will have significant negative and deleterious impact on:

- Cook Shire roads and bridges not designed for this level of use
- Cultural and environmental sensitivity associated with the proposed site and the riverine corridor.
- Social, visual and health amenity of residents in the surrounding area and within the Cooktown community.
- Commercial and recreational fishing, visitation and habitation relating to the Endeavour River port area.

This motion has been raised as a result of ongoing consultation and discussion with Councillors and community which indicates strong sentiment against this proposal.

**MAYORAL MINUTE**

That Cook Shire Council resolves to not support the Diatrema / Galalar Silica Sand Project proposal of a Cooktown Loading Option - as detailed in the Draft Terms of Reference.

**8 NOTICE OF BEREAVEMENT**

A minute's silence will be observed as a mark of respect for those residents who passed away during the previous month.

**9 CONFIRMATION OF MINUTES**

Ordinary Meeting - 11 August 2020

**10 BUSINESS ARISING**

**11 NOTIFIED MOTIONS**

Nil

## 12 COUNCILLORS' REPORTS








### 12.1 COUNCILLORS' MONTHLY REPORTS

**File Number:** D20/24792

**Author:** Executive Assistant

**Authoriser:** Linda Cardew, Chief Executive Officer

**Attachments:**

- 1 Cr Peter Scott (Mayor) 
- 2 Cr Robyn Holmes (Deputy Mayor) 
- 3 Cr Peter Burns 
- 4 Cr John Dessmann 
- 5 Cr Larissa Hale 
- 6 Cr Ross Logan 
- 7 Cr Marilyn Morris 

#### PRECIS

Councillors' monthly activity reports.

#### BACKGROUND/HISTORY

Each month Councillors report on their activities relating to their portfolios. An endorsement of the report is an endorsement of the attended and future activities. Not all activities will be listed in advance due to timing.

#### LINK TO CORPORATE PLAN

*Key Strategy Priority: Governance* - Accountable, responsible and appropriate governance and management reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

*Strategy 3: Develop a clear communication plan to inform the workforce, community and elected members in order to achieve greater understanding of council decision making processes, policies, legislation and compliance requirements.*

*Objective 3c:* The community is kept informed and is generally well satisfied with the overall leadership and strategic direction undertaken by Council.

#### CONSULTATION

Various groups as per individual reports.

#### LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)

Nil.

#### POLICY IMPLICATIONS

Expense Reimbursement Policy (Councillor).

#### FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)

Operational Budget.



**RECOMMENDATION**

That the activities contained in the individual Councillors' monthly reports and travel requirements be endorsed by Council.

## 13 EXECUTIVE SERVICES - REPORTS

### 13.1 CHIEF EXECUTIVE OFFICER'S MONTHLY REPORT

**File Number:** D20/24769

**Author:** Executive Assistant

**Authoriser:** Linda Cardew, Chief Executive Officer

**Attachments:** 1 CEO's monthly report - August/September 2020 

#### PRECIS

Chief Executive Officer's monthly report.

#### BACKGROUND/HISTORY

Each month the Chief Executive Officer reports on her external activities. An endorsement of the report is an endorsement of the attended and future activities. Not all activities will be listed in advance due to timing.

#### LINK TO CORPORATE PLAN

*Key Strategy Priority: Governance* - Accountable, responsible and appropriate governance and management reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

*Strategy 3:* Develop a clear communication plan to inform the workforce, community and elected members in order to achieve greater understanding of council decision making processes, policies, legislation and compliance requirements.

*Objective 3c:* The community is kept informed and is generally well satisfied with the overall leadership and strategic direction undertaken by Council.

#### CONSULTATION

Various groups and community members as indicated in the attached.

#### LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)

Nil

#### POLICY IMPLICATIONS

Nil.

#### FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)

#### RECOMMENDATION

That the activities contained in the Chief Executive Officer's monthly report be endorsed by Council.

**13.2 GALALAR SILICA SAND MINE (DIATREME) - DRAFT TERMS OF REFERENCE****File Number:** D20/24791**Author:** Chief Executive Officer**Authoriser:** Linda Cardew, Chief Executive Officer**Attachments:** 1 Galalar Silica Sand Project (Diatreme) - Cook Shire Council comments on Draft Terms of Reference - 8 September 2020 **PRECIS**

The proponent of the Galalar Silica Sand Project at Cape Bedford is Diatreme Resources Limited (Diatreme). This report details Council's comments in response to Diatreme's draft Terms of Reference (TOR) for the Environmental Impact Statement which will inform the assessment of the Environmental Authority issued under the Environmental Protection Act 1994 (Qld), a resource tenement under the Mineral Resources Act 1989 (Qld) and a number of further approvals.

Acknowledging that the opportunity to comment on the draft TOR is only the first formal step in a multi-stage consultation process, the comments below and attached relate only to the TOR and only to the matters or actions associated with Cook Shire.

The Department of Environment and Science has invited written comments in relation to the draft TOR prior to close of business 14 September 2020.

**BACKGROUND/HISTORY**

The following information is extracted from publicly available information released by Diatreme in June 2020. Council has not undertaken its own assessment of the proposed project and does not warrant the accuracy of Diatreme's information.

Diatreme states the Galalar Silica Sand Project will be an open cut mining operation designed to extract and process silica sand into a product suitable for manufacturing high quality glass products including solar panels. It will involve dry mining silica sand above the water table on site, processing involving washing and gravity separation, stockpiling the processed product, and exporting via ship to overseas markets.

The proposed mine is located near Cape Bedford 20 km east of Hope Vale. The current resource is approximately 47.5 million tons and at the proposed rate of extraction will last in excess of 20 years.

Up to 950,000 tons per annum of silica sand would be mined, producing up to an estimated 750,000 tons per annum of low iron silica.

The product would be transported via truck and then barged to a transshipping location for export to overseas markets. Two options for barge loading and transfer facilities are being considered by Diatreme: at nearby Nob Point, and at Marton on the Endeavour River at Cooktown. Both will require construction of barge loading infrastructure and for Nob Point an access Road from the mine. The loading and transshipping options will be assessed as part of the EIS process and the superior option will be selected. The Environmental Impact Statement process will investigate the project's technical merit, environmental impacts, and the constraints of the legislative framework.

The mining operation and processing plant will operate as a continuous process for 24 hours per day, 360 days per year. The Marton (Cooktown) loading option will use 63 km of existing Shire roads and the state-controlled Endeavour Valley Road for the transport of product using double road trains. Each road train will carry 50 tonnes of product.

For the Marton loading option Diatreme expects that 2100 tons (42 double road trains) of product will be transported from the mine to Cooktown daily for 360 days of the year. The round trip time for a truck will be approximately 2.5 hours, allowing each truck to complete five loads per day. On average there will be 3.5 trucks per hour in each direction.

At Marton the product will be loaded onto barges that will be towed 10km down the Endeavour River to an anchorage site just inside or just outside the Port of Cooktown, depending on available water depths. Silica sand will then be loaded onto a waiting 35,000 tonne Handysize class ship which will then sail to China.

The barge loading area at Marton, Cooktown will consist of a 25,000 t product stockpile area and a barge ramp at the existing Ida Street facility on the Endeavour River.

### STATUTORY CONSULTATION PROCESS

Resource activities such as mining silica sand may only be carried out by a person holding, or operating under an Environmental Authority (EA) issued under the Environmental Protection Act 1994 (Qld) (CP Act) and a resource tenement granted under the Mineral Resources Act 1989 (Qld) (MR Act).

The decision to issue an EA is informed by an Environmental Impact Statement (EIS). The purpose and scope of the EIS is to:

- Assess the potential adverse and beneficial environmental, economic and social impacts of the project
- Assess management, monitoring, planning and other measures proposed to minimise any adverse environmental impacts of the project
- Consider feasible alternative ways to carry out the project
- Provide information to the public about the project
- Hope the administering authority decide an EA application for which the EIS is required
- Give information to other Commonwealth and state authorities to help them make informed decisions
- Allow the Queensland government to meet its obligations for a single environmental assessment process under a bilateral agreement with the Australian government for matters regulated under the environment protection and biodiversity conservation act 1999.

The EIS process consists of a series of steps.

The first step is the submission of a draft Terms of Reference (TOR) which sets out the matters and issues that the EIS must address prior to consideration of the document for approval by the State and Commonwealth governments under relevant legislation. A copy of the draft TOR is available from the Department Environment and Science:

[https://www.qld.gov.au/data/assets/pdf\\_file/0021/134328/galalar-silica-draft-tor.pdf](https://www.qld.gov.au/data/assets/pdf_file/0021/134328/galalar-silica-draft-tor.pdf)

Interested and affected persons are invited to comment on the draft TOR. Diatreme is required to respond to comments, then submit and amend the draft TOR for the consideration by the Department of Environment and Science (DES). DES then finalises the TOR for the EIS submission and notification.

### PUBLIC NOTICE

A public notice was issued by Diatreme Resources on 21 July 2020. The purpose of the public notice was to make the public aware of the Galalar project proposal and to invite comments from the public about the draft TOR for the EIS. A copy of the initial advice statement is available from the DES website here:

[https://www.qld.gov.au/data/assets/pdf\\_file/0020/134327/galalar-silica-sand-ias.pdf](https://www.qld.gov.au/data/assets/pdf_file/0020/134327/galalar-silica-sand-ias.pdf)

This report deals only with this first requirement and provides Council's comments on perceived omissions from the draft terms of reference. Further consultation will be undertaken by DES and the Office of the Coordinator General in line with the formal process at a later date. It is expected that Council and the community will be advised of the opportunity to comment further in due course.

### **DRAFT TERMS OF REFERENCE**

The generic draft terms of reference made available for public comment and submissions include consideration of 'critical matters'. A critical matter is defined as a matter that has one or more of the following characteristics:

- It has a high or medium probability of causing serious or material environmental harm, or a high probability of causing an environmental nuisance.
- It is considered important by the administering authority, and/or there is a public perception that an activity has the potential to cause serious or material environmental harm or an environmental nuisance, or the activity has been the subject of extensive media coverage.
- It is relevant to a controlling provision under the Environmental Protection and Biodiversity Conservation Act 1999 (Cth).
- It raises obligations under any other legislation applicable for the proposed project (eg Water Act 2000).

Diatreme has concluded that the following should be considered to be critical matters:

- Water resources (groundwater and surface water)
- Flora and fauna (diversity)
- Coastal environment
- Social
- Economic
- Transport
- Prescribed matters of environmental significance.

### **COUNCIL'S COMMENTS ON THE DRAFT TERMS OF REFERENCE**

Public comments are required to be submitted in the format attached to this report and to follow the numbering in the draft terms of reference. Council's detailed comments are attached.

The following general comments are made in relation to the option for activities to be undertaken in Cook Shire, primarily the road transport corridors and the loading / transshipping area at Marton. Cook Shire Council is not in a position to comment on activities falling outside Cook Shire, respecting the position and authority of neighbouring Traditional Owners, and the Shire's neighbouring communities.

#### **1. Project Description**

In general, the project description is too narrow. The draft TOR focusses primarily on the mine site and gives only secondary importance to the impacts associated with the Marton loading and transshipping option. Many of the site or project study areas and critical matters described in the TOR Section 9 "Project Specific Matters" should be extended to the transport corridor loading and transshipping location in Marton.

## **2. Cultural and Indigenous history**

The draft TOR fails to adequately acknowledge and require assessment of the impact on the extensive cultural, possible sacred sites and Indigenous history of the area, noting that sacred or cultural sites, and cultural heritage may not be visible. Cultural heritage may include a story place. It is not sufficient to limit the study considerations to only the requirements of the *Aboriginal Cultural Heritage Act*, nor to the project/site area at Cape Bedford.

## **3. Broader Economic Impacts**

The draft TOR fails to require detailed assessment of the broader economic impacts of the project such as Cooktown's capability to provide housing, loss of skilled trades and the impact on the community as a whole, rehabilitation or redevelopment of the entire transport corridor and Marton loading site.

## **4. Impacts on town planning**

The Endeavour Valley and surrounding areas offer a wide range of economic, agricultural and lifestyle opportunities under the Cook Shire Planning Scheme. The draft TOR should examine the planning impacts resulting from the high volume usage of the Endeavour Valley Road and access roads for the Marton loading option.

## **5. Safety considerations**

The draft TOR fails to require adequate consideration of the impact of the use of the transport corridor on resident and tourist vehicle safety, and native wildlife moving within the transport corridor.

### **LINK TO CORPORATE PLAN**

- COM 1: Develop community specific strategy that reflects the goals and aspirations of individual communities.
- ECO 2: In partnership with local business, industry groups, economic and regional development organisations and neighbouring local governments, continue to develop strategies to assist, strengthen, develop and promote existing and new businesses and industries.
- ENV 3: Appropriate consideration is given to planning and development controls, design guidelines, traditional ownership and sustainable development principals which making planning decisions.

### **CONSULTATION**

Councillors have been extensively consulted in the response to the draft Terms of Reference and as elected members have conveyed community comments as directly relevant to the Terms of Reference.

The Executive Leadership team has considered the technical implications of the transport corridor and the loading at Marton.

**LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)**

The response format is in accordance with the legal procedure required to be followed in providing submissions/public comment.

**POLICY IMPLICATIONS**

Nil for comments on the draft TOR.

**FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)**


Nil

**RECOMMENDATION**

That Council resolves to:

1. Support the comments in this report and the attached response to the draft Terms of Reference for the proposed Galalar Silica Sand Project (Diatreme Resources Limited); and
2. Forward the comments dated 8 September 2020 to the Department Environment and Science.

**13.3 COUNCIL IN FOCUS - 1 APRIL TO 30 JUNE 2020**

**File Number:** D20/24161  
**Author:** Manager Tourism  
**Authoriser:** Linda Cardew, Chief Executive Officer  
**Attachments:** 1 Council in Focus - 1 April to 30 June 2020 

**PRECIS**

This report is the fourth quarterly report for the 2019/20 financial year. Its purpose is to communicate Council's business in a user-friendly, accessible format to provide a greater understanding of Council's operations. 'Council in Focus' attaches two documents. Part One provides information in a pictorial format about showing some of the ongoing operational work of Council and Part Two shows Council's performance against operational benchmarks. This report covers the period from 1 April – 30 June 2020.

**BACKGROUND/HISTORY**

We aim to provide the attached reports to Council each quarter. They are structured to provide interesting and informative updates on Council's diverse operational and compliance responsibilities in a format which is readily accessible. Part One, in largely pictorial format, is intended to give some insight into daily work of Council officers – activities that otherwise may not be the subject of a specific report. There is no legislative requirement to provide reports in this format, but both are proposed instead as a means of engaging further with our communities interested in the work of Council.

Part Two lists selected operational indicators that highlight the ongoing performance of Council in a range of areas including community requests, communications, human resources, finance and workplace health and safety. Although much of this information is provided in separate and very detailed reports to Council, a more accessible format is also beneficial for community members who are interested to obtain an overview of Cook Shire Council's business operations.

Council's Executive Leadership Team extends an open invitation to the community to provide feedback, at any time, on any aspect of Council's service delivery, or on broader issues that pertain directly to Council's business. The organisational goal of continual improvement will be always better informed if staff have a greater understanding of the community's observations, and so we welcome and encourage all comments.

**LINK TO CORPORATE PLAN**

*Key Strategy Priority: Governance* - Accountable, responsible and appropriate governance and management reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

*Strategy 3: Develop a clear communication plan to inform the workforce, community and elected members in order to achieve greater understanding of council decision making processes, policies, legislation and compliance requirements.*

*Objective 3c:* The community is kept informed and is generally well satisfied with the overall leadership and strategic direction undertaken by Council.



**CONSULTATION**

All Departments of Council have contributed to the development of 'Council in Focus'.

**LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)**

Council's operations have been subjected to an early risk assessment process.

**POLICY IMPLICATIONS**

Council's operations are conducted as required by the *Local Government Act 2009*, and in accordance with all applicable policies and the Cook Shire Council Operational Plan 2019/2020 adopted 27 June 2019.

**FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)**

Council's operations are conducted in accordance with the 2019/2020 Budget adopted 27 June 2019.

**RECOMMENDATION**

That Council receives and notes the 'Council in Focus' Report for the period April to June 2020.

## 14 COMMUNITY, ECONOMY AND INNOVATION - REPORTS

### 14.1 ARTWORK - RECONCILIATION ROCKS PROJECT

**File Number:** D20/24245  
**Author:** Procurement Officer  
**Authoriser:** Linda Cardew, Chief Executive Officer  
**Attachments:** Nil

#### PRECIS

This report seeks Council's approval to award a contract for the Reconciliation Rocks project major public artwork.

#### BACKGROUND/HISTORY

In January 2020, CA Architects who were engaged by Council to fulfil the role of design and project management of the Reconciliation Rocks Project, released an artwork commission brief. The brief called for submissions for the creation of a major public artwork as part of the Reconciliation Rocks Precinct Project. The entire project, including a significant public artwork is funded by the Commonwealth Government under its Community Development Grants.

Following the initial response, the evaluation team selected four artists to develop a concept artwork for submission, however one artist withdrew.

The evaluation panel, consisting of three (3) Councillors and three (3) Traditional Owners evaluated the three (3) submissions against the following criteria:

- Concept
  - Artistic merit/innovation as evidenced in the written response to the project brief and the visual representation of the proposed concept
  - Ability of the proposal to meet the various requirements of the briefing paper, conceptual response to the site and ability of the artworks to communicate the thematic rationale
  - Easily identifiable and complementary to the space and context
  - Complementary to the scale of existing surrounding context, such as the adjacent landscape, trees, structures and buildings
- Materials
  - Robustness, durability and ongoing maintenance of the artworks
  - Public safety and risk management
  - Be robust, durable and structurally appropriate in the coastal environment that is prone to cyclonic storms
- Value for Money
  - Cost
  - Selection of material and construction technique/ detailing in terms of value-for money, robustness, durability and ongoing maintenance

- Capability / Resources
- Past performance / relevant experience / track record
  - Previous relevant experience in delivering high quality artwork in the public realm and examples of work done in collaboration with manufacturers, architects and landscape designers if applicable
  - Artistic merit of previous work
- Enhancement of Local Business

Taking all of the evaluation criteria into consideration, the final ranking of the submissions were:

ARTIST	SCORE	RANKING
Artist 1	8.92	<b>1</b>
Artist 3	5.48	<b>2</b>
Artist 2	5.30	<b>3</b>

Based on the above, it is recommended that Artist 1 be contracted to work with CA Architects and LA3 Landscape Architects to create artworks integrated within the masterplan and development as a whole.

#### LINK TO CORPORATE PLAN

*Key Strategy Priority – Governance* – Accountable, responsible and appropriate governance and management, reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

*Strategy 4:* Work management systems and procedures are reviewed and adjusted to support improved organisational service provision, compliance and efficiency.

*Objective 4f:* Council activities comply with applicable legislation through well maintained policies, procedures and information systems that guide and facilitate good decision making.

#### CONSULTATION

The brief was prepared in consultation with the Project Manager, Director Community, Economy and Innovation, Manager Engineering, Manager Tourism, Land Tenure & Native Title Coordinator, Indigenous Partnerships Officer and the Regional Arts Officer.

#### LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)

Nil

#### POLICY IMPLICATIONS

This procurement activity complies with Council's Procurement Policy.

**FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)****FUNDING FOR THE ARTWORK HAS BEEN PROVIDED BY THE COMMONWEALTH GOVERNMENT UNDER ITS COMMUNITY DEVELOPMENT GRANTS FOR THE RECONCILIATION ROCKS PRECINCT DEVELOPMENT PROJECT. RECOMMENDATION**

That Council enter into a contract with:

1. **ARTIST 1** [INSERT NAME] for the creation of one or more major public artworks to be integrated within the masterplan and development as a whole of the Reconciliation Rocks project in the total amount of **\$150,000.00 (including GST)**; and
2. Delegate authority to the Chief Executive Officer, under section 257 of the Local Government Act 2009 (Queensland), the ability to execute the contract, negotiate and finalise minor administrative or financial amendments and approve any variation, if so required.

## 15 ORGANISATIONAL BUSINESS SERVICES - REPORTS







### 15.1 FINANCIAL STATEMENTS - AUGUST 2020

**File Number:** D20/23897

**Author:** Finance Manager

**Authoriser:** Linda Cardew, Chief Executive Officer

**Attachments:**

- 1 **Statement of Comprehensive Income - August 2020** 
- 2 **Statement of Financial Position - August 2020** 
- 3 **Statement of Changes in Equity - August 2020** 
- 4 **Statement of Cash Flows - August 2020** 
- 5 **Operational Initiatives - August 2020** 
- 6 **Capital Expenditure Report - August 2020** 

#### Precis

Presentation of the financial report for August 2020 as required under section 204 of the *Local Government Regulation 2012* (QLD). The report is presented for noting and indicates that Council is progressing satisfactorily against its current budget.

#### BACKGROUND/HISTORY

These reports were prepared on the 24<sup>th</sup> August 2020. The Actuals for 2019-2020 accounts and are unaudited. It is anticipated there will be some final adjustments and these shall be reflected in September financial report.

#### Statement of Comprehensive Income (P & L)

The statement of comprehensive income identified that to date Council has received \$11.5M total income.

The first rate levy has been issued, with the due date 60 days from issue date in October. The discount will increase as more ratepayers take the discount and pay their rates by the due date, 19<sup>th</sup> October 2020.

Recurrent grant revenue to date relates to flood damage (DRFA) grants, amounting to \$5.548M. Grants received in advance are recognised as a liability on receipt and then as grant revenue on a progressive basis, as the works are completed.

#### Statement of Financial Position

Council's cash position is \$26.5M. The significant increase in the cash balance mostly relates to prepaid grants for DRFA work.

Receivables and payables will continue to change during the year given the nature of those accounts. The high balance of receivables mostly relates to rates issued for Levy 1 and will reduce as the accounts are paid. The current payables mostly relate to contract works. Council aims to pay creditors within their requested timelines.

Council has not undertaken any new borrowings, but had drawn \$4.8M from the working capital facility held with Queensland Treasury in 2019/2020 to assist with the cash management of the 2019 DRFA works. The working capital facility has mostly been repaid as Council is reimbursed for the work and the current balance of the working capital facility is \$1.86M.

### Statement of Cash Flows

The net cash flows from operating activities of \$5.3M represents Council's cash surplus for the period. The budgeted \$826K means Council expects to have a cash surplus at year end. The \$12.5M non capital grants are mostly comprised of the 30% prepayment of DRFA grants.

### Internally Restricted Cash

Council's cash position is showing at \$26.5M. However, Council has available cash of \$11.8M, net of constrained funds such as reserves, funds committed to infrastructure development, and loan balances from QTC quarantined for use on specific projects:

<b>Restricted Cash</b>	<b>'000</b>
Land Release	1,300
Environmental Levy Reserve	1,370
Land Purchase Reserve	455
Headworks	274
Working Capital Facility – DRFA Works	3,800
Prepaid DRFA Grants	9,239
<b>Available Cash</b>	<b>14,680</b>

There has been and will continue to be a strong focus on budget controls, including but not limited to basic financial management training for managers and staff, and strong budget oversight to support executive and management decision making.

### Operational Initiatives

Operational initiatives reflect grant and Council funded operational projects that are in addition to the 'business as usual' operational expenditure. Operational initiatives are included in the revenue and expenditure budget, and have been highlighted in a separate report so they can be more easily identified.

### Capital Expenditure Report

Council has a capital budget of \$25.1M, with \$22.8M expected to be grant funded and \$1.3 from cash reserves (previously drawn loan).

For capital works that are externally funded, work shall not commence, other than preliminary costs, until the funding agreements have been executed. It is noted that any works completed prior to grant approval are not allowable grant expenses, meaning the cost of these works is the responsibility of Council. The Capital Works Program will be continually assessed to ensure the expenditure is able to be offset against budgeted works.

**LINK TO CORPORATE PLAN**

*Key Strategy Priority: Governance* - Accountable, responsible and appropriate governance and management, reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

*Strategy 1:* Develop an achievable long term financial, resource and infrastructure plan to ensure ongoing capacity to fund operations and capital works programs that underpin council's long-term strategy to achieve financial sustainability.

*Objective 1a:* Council's long-term financial plan is compiled and linked to Council's Corporate and Operational Plans.

**CONSULTATION**

Executive Leadership Team

Managers and relevant Operational Staff

**LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)**

*Local Government Regulation 2012 (QLD)* in particular section 204, which states:

- (1) The local government must prepare a financial report.
- (2) The chief executive officer must present the financial report—
  - (a) if the local government meets less frequently than monthly—at each meeting of the local government; or
  - (b) otherwise — at a meeting of the local government once a month.
- (3) The financial report must state the progress that has been made in relation to the local government's budget for the period of the financial year up to a day as near as practicable to the end of the month before the meeting is held.

*Local Government Act 2009*

**POLICY IMPLICATIONS**

The following Council policies are relevant to the financial statements:

Investment Policy

Debt Policy

Revenue Policy

**FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)**

The report identifies how Council is tracking against the adopted operational and capital budgets for the financial year. The report identifies that Council is tracking satisfactorily against the adopted budget.

**RECOMMENDATION**

That Council resolves to:

Note the financial report, as required under section 204 of the *Local Government Regulation 2012* (QLD), for August 2020.



## 15.2 PROCUREMENT POLICY

**File Number:** D20/24035  
**Author:** Procurement Officer  
**Authoriser:** Linda Cardew, Chief Executive Officer  
**Attachments:** 1 Procurement Policy 

### PRECIS

The purpose of this report is to present the revised Procurement Policy for adoption by Council. The revised policy supersedes the Procurement Policy (June 2020).

### BACKGROUND/HISTORY

In accordance with s198 of the Local Government Regulations 2012, the procurement policy was revised and adopted in June 2020. Amongst other inclusions, the revised policy included recurring operational expenditure which related to “purchases” that are considered impractical to issue a requisition or purchase order, for example, utilities, insurances, vehicle registrations, etc. which Council approved. However, the procurement policy failed to delegate authority to the Chief Executive Officer to approve such expenses regardless of whether the value of the expenditure exceeds the Chief Executive Officer’s delegation.

This revision to the policy has also been amended to include a section on **Financial and Contractual Delegations**. Whilst Financial and Contractual Delegations are continually updated, to meet operational need, and approved by the Chief Executive Officer, they had not been specifically addressed in the policy.

To further meet operational needs, the policy has been revised to include **Variations**, those being financial variations from the original contract value but within the Council’s approved budget. This is to ensure that there is a process in place to address and approve financial variations that are unavoidable and necessary for the successful completion of a project.

### LINK TO CORPORATE PLAN

*Key Strategy Priority: Governance* - Accountable, responsible and appropriate governance and management, reflected in responsible long-term financial sustainability and clear strategic direction built around core local government business and affordable levels of service.

*Strategy 4:* Work management systems and procedures are reviewed and adjusted to support improved organisational service provision, compliance and efficiency.

*Objective 4f:* Council’s activities comply with applicable legislation through well maintained policies, procedure and information systems that guide and facilitate good decision making.

### CONSULTATION

The Procurement Policy includes revisions that were the subject of consultation with Council officers.

### LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)

*Local Government Act 2009* (as amended)

*Local Government Regulations 2012* (as amended)

**POLICY IMPLICATIONS**

Reference is made in the Policy to the Procurement Framework and Procurement Guidelines. These documents provide comprehensive instructions and procedural advice to staff. The Procurement Framework and Procurement Guidelines will be administrative documents, as are the Financial Delegations, which are not required to be adopted by Council.

**FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)**

Continual improvements of procurement and purchasing practices shall be ongoing.

**RECOMMENDATION**

That Council adopts the revised Procurement Policy dated 8 September 2020.

## 16 INFRASTRUCTURE - REPORTS

### 16.1 RECONCILIATION ROCKS - UPDATE OF SITE LAYOUT

**File Number:** D20/13110

**Author:** Manager Engineering

**Authoriser:** Linda Cardew, Chief Executive Officer

**Attachments:** 1 Reconciliation Rocks Site Layout Update 

#### PRECIS

Version 1 of the Reconciliation Rocks Master Plan was endorsed by Council in February 2020; however, the Master Plan has been further developed since that time. This report is seeking Council's endorsement of the latest proposed layout for the Reconciliation Rocks Site.

#### BACKGROUND/HISTORY

The attached Reconciliation Rocks Site Layout Update was prepared by the Lead Consultant, CA Architects and provides details of the proposed features of the federally-funded Reconciliation Rocks Development. Design elements encompassed in this document include: landscaping, traffic and pedestrian movements, connections, views, approaches, artwork and signage opportunities.

Council secured funding from the Federal Department of Infrastructure, Transport, Cities and Regional Development to enable four legacy infrastructure projects to be completed in Cooktown. The Reconciliation Rocks Development project is one of the funded projects and comprises the following elements:

- Arrival and parking (and the site's relationship to other tourist attractions)
- Lookout shelter from adjacent rock area
- Performance area and associated seating
- Covered seating nooks
- Interpretive signage
- Public Art (story telling around the first recorded act of reconciliation in Australia's history and the significance of the site now and for the future).

The concept design has been developed by CA Architects, with guidance provided by Council, in conjunction with Traditional Owners and The National Trust, referencing a report developed by GHD in 2018, which included extensive community consultation. This has informed the development of a concept plan taking into account cultural considerations, budgets and on-going maintenance.

In early February 2020, a consultation meeting was held with Council staff, CA Architects, stakeholders from National Trust and local Traditional Owners to discuss and review version 1 of the Master Plan. Subsequently, version 1 of the plan was endorsed by Council at its February Ordinary meeting.

As a result of detailed design, the site layout has changed slightly, mainly due to the interaction of Reconciliation Rocks and the intersection of Furneaux St, Adelaide St and Sherrin Esplanade. The extent of the site has also been reduced to address budget constraints.

The current layout of the site has been prepared including the changes required to accommodate improved traffic flow at the intersection and the altered footpath alignment and was presented to Councillors at workshops in May and August 2020 for discussion and information.

The attached Reconciliation Rocks Site Layout Update includes three drawings:-

1. Drawing No 200/DD/L/RR-01, Reconciliation Rocks Landscaping Plan
2. Drawing No 1931/CD/A/A-002, Reconciliation Rocks Architectural Layout
3. Drawing No 1931/CD/A/A-003, Reconciliation Rocks Elevations, Sections and Details of Shelters

### **LINK TO CORPORATE PLAN**

*Key Strategic Priority: Community* - A sense of common purpose, whilst respecting local diversity, with the goals and aspirations of individual communities reflected in localised strategy and planning

*Strategy 4:* Encourage vibrant and active community participation in arts, culture and natural heritage activities to enrich lifestyle and encourage tourism

*Objective 4a:* Visitors and locals are attracted to arts, cultural and heritage destinations within the Shire.

### **CONSULTATION**

The consultants have met with Council staff, National Trust and Traditional Owners to discuss the specific vision and opportunities identified for the site.

These stakeholders have been provided with the opportunity to review and comment on the concept plan. Comments from Council staff, National Trust and Traditional Owners have been incorporated into the attached concept plan, which is presented for approval.

### **LEGAL IMPLICATIONS (STATUTORY, BASIS, LEGAL RISKS)**

There are no identified legal implications associated with this project.

### **POLICY IMPLICATIONS**

There are no identified policy implications associated with this project.

### **FINANCIAL AND RESOURCE IMPLICATIONS (BUDGETARY)**

This project is fully funded as one of four federally funded legacy projects through the Department of Infrastructure, Transport, Cities and Regional Development. Total funding received and budget allocated is \$1.2 million.

### **RECOMMENDATION**

That Council endorses the Reconciliation Rocks Site Layout Update as attached for implementation of the Reconciliation Rocks project.

**17 CONFIDENTIAL REPORTS****RECOMMENDATION**

That Council considers the confidential report(s) listed below in a meeting closed to the public in accordance with Section 275 of the Local Government Regulation 2012:

**17.1 Confidential Legal Matter**

This matter is considered to be confidential under Section 275(f) of the Local Government Regulation 2012, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with starting or defending legal proceedings involving Cook Shire Council.

**17.2 Compensation Agreement**

This matter is considered to be confidential under Section 275(e) of the Local Government Regulation 2012, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with contracts proposed to be made by Cook Shire Council.

**17.3 Request for Commercial Rent Relief**

This matter is considered to be confidential under Section 275(e) of the Local Government Regulation 2012, and the Council is satisfied that discussion of this matter in an open meeting would, on balance, be contrary to the public interest as it deals with contracts proposed to be made by Cook Shire Council.