



**GLADSTONE**  
REGIONAL COUNCIL

**GENERAL MEETING NOTICE  
AND AGENDA**

**TO BE HELD AT THE COUNCIL CHAMBERS – CIVIC CENTRE  
101 GOONDOON STREET, GLADSTONE**

**On Tuesday 17 March 2026**

**Commencing at 9.00am**

**Leisa Dowling  
CHIEF EXECUTIVE OFFICER**

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**G/1. MAYORAL STATEMENT OF CURRENT ISSUES**

## **G/2. CONFIRMATION OF MINUTES**

### **G/2.1. CONFIRMATION OF GENERAL MEETING MINUTES FOR 3 MARCH 2026**

**Responsible Officer:** Chief Executive Officer

**Prepared By:** Executive Secretary

**Council Meeting Date:** 17 March 2026

**File Ref:** CM7.2

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#### **Purpose:**

Confirmation of the minutes of the General Meeting held on 3 March 2026.

#### **Officer's Recommendation:**

That the minutes of the General Meeting of Council held on 3 March 2026 be confirmed.

#### **Attachments:**

1. Minutes of the General Meeting of Council held on 3 March 2026.

## G/3. DEPUTATIONS

### G/3.1. NUCLEAR FOR CLIMATE AUSTRALIA

**Responsible Officer:** Chief Executive Officer

**Prepared By:** Executive Secretary

**Council Meeting Date:** 17 March 2026

**File Ref:** CM7.6

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#### **Purpose:**

For Nuclear for Climate Australia to provide information on nuclear energy.

#### **Officer's Recommendation:**

That the deputation from Nuclear for Climate Australia be received.

#### **Background:**

Deputation details are as follows:

<b>Time of Presentation</b>	9.10am
<b>Duration of Presentation plus question time</b>	15 mins
<b>Speakers to present</b>	Robert Parker, Founder

#### **Attachments:**

1. Nuclear for Climate Australia Presentation

## **G/4. OFFICERS' REPORTS**

### **G/4.1. CONTRACT AND EXPENDITURE APPROVAL - TENDER 107-25 CONSTRUCTION OF BOYNE TANNUM AQUATIC CENTRE**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement

**Council Meeting Date:** 17 March 2026

**File Ref:** FM21.1

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#### **Purpose:**

This report seeks resolution from Council to enter into a contract and to resolve expenditure approval in accordance with Council's Register of Financial Delegations with Paynters Pty Ltd (Paynters) for Tender 107-25 Construction of Boyne Tannum Aquatic Centre (Tender 107-25).

#### **Officer's Recommendation:**

That Council:

1. Endorse the Tender Evaluation Panel's recommendation to accept the offer and enter into a Contract with Paynters Pty Ltd for Tender 107-25; and
2. Authorises the expenditure of \$29,717,030 ex GST with Paynters Pty Ltd for Tender 107-25 in accordance with Council's Register of Financial Delegations; and
3. Authorise the Chief Executive Officer to enter into a contract with Paynters Pty Ltd Tender 107-25.

#### **Summary:**

An Invitation to Tender (ITT) was conducted in accordance with the tender process requirements set out in s228 of the *Local Government Regulation 2012*. The recommendation is to appoint Paynters under Tender 107-25. Following the Council resolution, officers will negotiate and finalise a Contract with Paynters.

#### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.  
Connecting Communities - We work with you and for you, supporting the success of our communities.  
Delivering Value - We work efficiently to deliver value for your rates.

#### **Background:**

Council conducted a Tender 107-25 process to engage a qualified contractor to undertake the construction of the new Boyne Tannum Aquatic Centre at Arthur Street, Boyne Island. The works entail construction of a new aquatic centre inclusive of site clearance, all associated infrastructure, civil works, roadworks, 50m pool with plant room, change rooms, kiosk, children's play area and landscaping along with associated environmental works. The project will also include new road and footpath connections.

The Boyne Tannum Aquatic Centre program commenced in 2019 when Council sought community views on developing an aquatic centre having completed a feasibility study to verify the need. Over 95 per cent of residents who responded to the survey support the development of a public swimming pool in the Boyne/Tannum community. The community of Boyne Island and Tannum Sands have access to a diverse range of locally based sport and recreation facilities, parklands, and natural open spaces to support an active lifestyle and to enhance their physical health and wellbeing.

In March 2022, Council adopted the Concept Design proposed, with a focus on providing a facility that can meet both current and future aquatic recreation needs of the community and later in January 2024, Council secured \$15 million in Federal Government funding to deliver the Construction of Boyne Tannum Aquatic Centre project. This funding is subject to time constraints, requiring Practical Completion by 30 June 2027. Meeting this deadline is essential to maintain compliance and retain full funding allocation.

### **Tender Process - Invitation to Tender (ITT)**

#### **Market Research**

As per s228 of the *Local Government Regulation 2012* and value being greater than \$200,000 ex GST, an ITT is required. The funding conditions for the \$15 million commonwealth grant mandate that the successful head contractor must be accredited under the Federal Government Work Health and Safety (WHS) Accreditation Scheme. Prior to tender release, research was conducted to identify contractors with the required WHS accreditation and experience in similar works. Information provided by the grant funding department indicated a timeframe of at least four months for contractors to obtain the WHS accreditation if they did not already hold it.

To ensure no risk of delays to the procurement process or project commencement from accreditation timeframes, tenderers were required to provide evidence of current accreditation at the time of submitting their tender. Market research identified a list of 19 businesses with potential capability and experience to undertake the works, either as head contractor (holding the mandatory WHS accreditation) as or sub-contractor for the swimming pool construction works.

#### **Tender Approach**

The Tender was conducted across a two-stage process as part of the procurement strategy:

- **Stage 1** – Invitation to Tender (technical and mandatory criteria submissions). Tenderers were required to submit their response to the required evaluation criteria and provide a comprehensive technical submission. These responses were evaluated and shortlisted Tenderers will be invited to participate in Stage Two.
- **Stage 2** – Commercial submissions (inclusion of local content booster and due diligences). Shortlisted tenderers will be invited to submit their commercial offers. It is Council's intention to prepare and make available, to tenderers, the Issued for Construction (IFC) drawings when requesting commercial offers, enabling them to provide firm lump sum pricing.

### Tender Evaluation

Evaluation was carried out against the evaluation criteria as specified in the ITT:

ITT Evaluation Stage	Objective Evaluation Criteria	Weighting
Stage 1	Technical evaluation criteria	100%
Stage 2	Local Content Booster	25%
	Commercial (price) evaluation	Non-weighted (value for money assessment)
<b>Total</b>		<b>125%</b>

### Tender Release

The Invitation to Tender (ITT) Stage 1 was released via VendorPanel on 13 September 2025. The businesses identified through market research were sent a targeted email notifying them of the public tender.

A non-mandatory tender briefing and site inspection was held on 1 October 2025. The tender briefing included a presentation by Council officers at the Boyne Tannum Community Centre, followed by a guided tour of the Boyne Tannum Aquatic Centre site in which eight businesses attended.

The tender closed on 21 October 2025. Offers were received from the following seven businesses:

Tenderer	Local / Non-Local	Office Location
Hercules Developments QLD Pty Ltd T/as BOW Projects QLD	Non-local	Melbourne VIC 3004
Dalski Pty Ltd	Non-local	Alexandria NSW 2015
McCosker Contracting Pty Ltd	Local	Gladstone QLD 4680
Murphy Builders QLD Pty Ltd	Non-local	Mooloolaba QLD 4557
Paynters Pty Ltd	Non-local	Berserker QLD 4701
T.F. Woollam & Son Pty Ltd T/as Woollam Constructions	Non-local	Kawana QLD 4701
JK Waterproofing	Local	Boyne Island QLD 4680

Multiple contractors did not hold the Federal Government WHS Accreditation at the time of submitting the offer for Stage 1, which was a mandatory requirement, and their offer was therefore assessed as non-conforming. Additionally, there was an offer for a different tender (Trade Services) and was therefore not a valid offer.

As a result of Stage 1, there were two shortlisted tenderers that met the minimum technical thresholds as well as held a current WHS Accreditation. An Invitation to Tender (ITT) Stage 2 was released via VendorPanel on 21 November 2025, Tenders for Stage 2 closed on 21 January 2026 and commercial offers received from invited shortlisted tenderers. The Stage 2 commercial offers were assessed based on technical competency, price, local content, with an overall ranking based on cost per quality point. While the overall evaluation rankings based on cost per quality point were close, the evaluation panel determined the tender most advantageous to Council by balancing price, technical competency, project delivery risk and whole-of-life-value, having regard to the sound contracting principles in accordance with section 228(10) of the local Government Regulation 2012 (QLD). The evaluation panel reached consensus unanimously to recommend Paynter's for contract award.

Refer to Attachment 1 – Confidential Tender 107-25 Award Report full summary of Stage 1 and 2 evaluations as well as level 2 due diligence review.

### **Overall ITT Summary**

The evaluation panel agreed to shortlist Paynters for award, on the basis that they demonstrated a suitable technical score and ability to deliver the complexity of the program. The tender evaluation panel recommends the submission from Paynters as it presents the best overall offer to Council.

### **Probity**

To ensure the procurement process was conducted in a fair and impartial manner with the utmost integrity, Council appointed Peak Services as its independent Probity Advisor to oversee the process to minimise any probity risks.

### **Risk Management Summary:**

Council has an open appetite for variation in financial performance providing that long-term financial sustainability is not threatened. Council will tolerate minor losses, or capital outlays attributable to improve services or meet community need. The expenditure for Boyne Tannum Aquatic Centre is partially funded through grant funding and a failure to proceed with the tender will put the funding at risk. The cost of delivering the project will only increase as time passes. The project has been incorporated in Council's Long Term Financial Forecast which allows Council to manage the long-term financial impacts of the project.

Council's risk appetite states that Council will not tolerate investing in significant projects without option analysis including consideration of whole of life costs. This is Council's final major investment decision in terms of proceeding with the construction of the Boyne Tannum Aquatic Centre and there has been significant consideration of options throughout each step of the project.

While it is known that some members of the community are not supportive of the construction of the Boyne Tannum Aquatic Centre, Council has a measured appetite for reputational risk. In this regard Council will not tolerate a failure to consider and assess the impacts of Council's decisions and activities on community and customers however, Council's risk appetite does recognise that negative publicity may occur where there are competing priorities and interests in the community.

A decision to proceed with the tender award is consistent with Council's risk appetite provided that appropriate controls are in place to mitigate any risks.

### **Options and Opportunity Analysis:**

#### **Option 1 – Endorse Tender 107-25 (Officer's Recommendation)**

Endorse the Tender Evaluation Panel's recommendation to accept the offer and enter into a Contract with Paynters for Tender 107-25 based on the Tender being conducted in accordance with section 228 of the *Local Government Regulation 2012* and Council's Procurement Policy and Procedures. As part of the process, this includes the evaluation methodology and criteria in the ITT.

In the interests of probity, an amendment to the evaluation methodology and/or criteria may require referral back to tenderers so that they can each have the opportunity to make any changes to their offers having regard to the amended criteria prior to re-evaluation.

#### **Option 2 – Refer back to officers for re-evaluation**

If Council is not satisfied with the evaluation methodology and criteria or the application thereof, Council may refer the matter back to officers for re-evaluation. This may cause delays to project delivery ultimately impacting Council's ability to obtain funding.

**Option 3 – Not proceed with Contract Award**

Council is not satisfied and recommend not to resolve Tender 107-25 and to dissolve Tender. Council would be unable to meet the current funding requirements.

**Stakeholder Engagement:**

Internal stakeholder engagement has taken place during the planning and tender stages of Tender 107-25 as well as Community Consultation.

**Legal and Regulatory Implications:**

Council sought offers via VendorPanel in accordance with s228 of the *Local Government Regulation 2012* and Council’s Procurement Policy.

Council’s endorsement of this tender award is in accordance with the Register of Delegations - Exercise of Statutory Powers and Financial Delegation Register.

**Financial and Resource Implications:**

**Contract Award**

The contract value is \$29,717,030 ex GST and is included within the Capital Portfolio Program. Noting external funding of \$15 million.

**Life of Project**

The Life of Project costs are currently \$34,000,000 ex GST. Should Council proceed with the proposed tender award, the Life of Project budget will be required to be uplifted to \$39,019,556 which accommodates engagement of contractor, internal and additional external costs such as engagements with ergon and external engineering.

**Whole of Life Costs**

Estimates of whole of life costs are outlined in the table below. These estimates will continue to be refined throughout the project and incorporated into the Long Term Financial Forecast.

		Annual	25yr Cumulative Costs
<b>Maintenance</b>		<b>\$437,288</b>	<b>\$10,932,200</b>
Preventative	\$171,810.46		
Reactive	\$124,933.18		
Statutory	\$140,544.36		
<b>Life Cycle Replacement</b>		<b>\$471,069</b>	<b>\$11,776,725</b>
<b>Operational</b>		<b>\$656,073</b>	<b>\$ 16,401,825</b>
Staffing	\$433,007.85		
Sundries	\$26,242.90		
Insurances	\$13,121.45		
Energy/Utilities/Rates	\$104,971.60		
Chemicals	\$19,682.18		
Cleaning	\$59,046.53		
<b>Total</b>		<b>\$1,564,430</b>	<b>\$ 39,110,750</b>

**Anticipated Resolution Completion Date:**

If Council resolves to proceed with the tender award, the contract will be awarded in April 2026.

**Attachments:**

1. CONFIDENTIAL – Tender 107-25 Award Report

## **G/4.2. CONTRACT AND EXPENDITURE APPROVAL - TENDER 23-26 HARBOUR ARBOUR CONSTRUCTION**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement

**Council Meeting Date:** 17 March 2026

**File Ref:** FM21.1

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### **Purpose:**

This report seeks resolution from Council to enter into a contract and to resolve expenditure approval in accordance with Council's Register of Financial Delegations with McCosker Contracting Pty Ltd (McCosker) for Tender 23-26 Harbour Arbour Construction (Tender 23-26).

### **Officer's Recommendation:**

That Council:

1. Endorse the Tender Evaluation Panel's recommendation to accept the offer and enter into a Contract with McCosker Contracting Pty Ltd for Tender 23-26; and
2. Authorises the expenditure of \$12,617,184.10 ex GST with McCosker Contracting Pty Ltd for Tender 23-26 in accordance with Council's Register of Financial Delegations; and
3. Authorise the Chief Executive Officer to enter into a contract with McCosker Contracting Pty Ltd Tender 23-26.

### **Summary:**

An Invitation to Tender (ITT) was conducted in accordance with the tender process requirements set out in s228 of the Local Government Regulation 2012. The recommendation is to appoint McCosker under Tender 23-26. Following the Council resolution, officers will negotiate and finalise a Contract with McCosker.

### **Link to Corporate Plan:**

- Accountable Council - We are providing good stewardship built on a foundation of trust.
- Connecting Communities - We work with you and for you, supporting the success of our communities.
- Delivering Value - We work efficiently to deliver value for your rates.

### **Background:**

Council conducted Tender 23-26 to engage a suitably qualified contractor to undertake essential replacement of underground water, stormwater and sewerage infrastructure along a 210-metre section of Goondoon Street between Lord and Yarroon Streets, Gladstone. This section forms part of the Harbour Arbour program within a mixed-use residential and business precinct.

The Harbour Arbour program is a key component of the East Shores to City Heart Activation Project and represents the next stage of Council's broader Goondoon Street renewal planning. The primary driver of this stage is the replacement of critical underground assets that have reached the end of their service life and are essential to maintaining reliable water services within the CBD.

The existing water infrastructure was constructed in 1973 and is now approximately 53 years old. The eastern cast-iron pipeline is susceptible to internal corrosion and leakage at this age, while the western 50mm PVC pipeline – although originally designed for a long lifespan – no longer meets current network servicing needs. It will be upsized to a 150mm main to improve system resilience, support firefighting requirements, increase service capacity for surrounding businesses, and reduce the likelihood of unplanned disruptions.

Coordinating these essential civil works also creates a cost-effective opportunity to enhance pedestrian access along Goondoon Street and strengthen the physical and visual connection between the waterfront and the City Heart.

In January 2025, Council secured \$5.2 million in Federal Government funding through the Growing Regions Program to support delivery of the Harbour Arbour project. This funding is subject to Practical Completion by 30 March 2027, and meeting this milestone is essential to maintain compliance and retain the full allocation.

#### **Tender Process - Invitation to Tender (ITT)**

##### **Market research**

As per s228 of the Local Government Regulation 2012 and value being greater than \$200,000 ex GST, an ITT is required. Market research was undertaken prior to the release of the ITT to assess market capability, capacity, and interest. This process identified eight local and non-local businesses with the potential capability and experience to undertake the works.

Key findings from the market research included:

- Six of the identified businesses had tendered on Council projects within the past 12 months
- Three of these businesses were current contractors delivering major projects for Council
- One potential tenderer advised they would not be submitting an offer as the project was outside their operating region
- Feedback was sought from all identified businesses regarding market capacity and project considerations; however, no responses were received
- Council intends to issue further requests for feedback following completion of the tender process to support future procurement planning

This research confirmed that there was adequate market capability to support a competitive tender process.

**Tender release**

The ITT was released via VendorPanel on 8 November 2025. The businesses identified through market research were sent a targeted email notifying them of the public tender.

A non-mandatory tender briefing and site inspection was held on 17 November 2025, with eight businesses in attendance. The tender was originally due to close on the 9 December 2025, however following two separate requests from prospective tenderers to extend the closing date, the tender closed on 27 January 2026. The extension was requested are as summarised below:

- Extension one – due to project complexity and the number of subcontract packages required.
- Extension two – due to difficulties obtaining subcontractor and material pricing during the Christmas shutdown period.

As a result, Council received three offers for Tender 23-26 from the following offerors:

#	Tenderer	Local / Non Local	Office Location
1	Holcim (Australia) Pty Ltd (Holcim)	Local	Gladstone Branch
2	McCosker Contracting Pty Ltd (McCosker)	Local	Gladstone Head Office
3	Young Contractors Pty Ltd (Young)	Local	Gladstone Head Office

The offer from Holcim was deemed as non-confirming and further details are listed in Attachment 1 – Confidential Tender 23-26 Award Report.

**Additional Market Research post Tender Closure**

VendorPanel data shows that 206 suppliers viewed the ITT, and 53 suppliers followed the tender. Despite this level of initial engagement, only two suppliers submitted offers. Further market research was undertaken to understand supplier capacity, capability, and reasons for nonparticipation. Feedback is listed in Attachment 1 – Confidential Tender 23-26 Award Report.

**Tender evaluation**

The offers from McCosker and Young progressed to technical evaluation. Conforming offers were evaluated by a panel of subject matter experts, based on the criteria disclosed in the ITT which included:

Objective Evaluation Criteria	Weighting
Proposed Program/Schedule meets Council’s timing requirements and includes all key milestones/tasks	30%
Offer demonstrates understanding of the scope and Council’s requirements and includes Quality Assurance Management, Testing and Commissioning, a Resourcing Plan and Site Construction Map which address all aspects of the scope and Council’s requirements.	35%
Nominated past projects performed meet Council’s experience and requirements	20%
Proposed Key Personnel have the qualifications, experience and allocation to the scope as required by Council	15%

Refer to Attachment 1 – Confidential Tender 23-26 Award Report for full summary of level 1 and 2 evaluations. Feedback will be provided following completion of the tender process.

**Overall ITT Summary**

The evaluation panel agreed to shortlist McCosker for award, on the basis that they demonstrated best suitable technical score and ability to deliver the complexity of the program. McCosker received the full geographical location benefit as a local contractor and nominated high percentage of spend with local suppliers and subcontractors within their Procurement Plan.

The tender evaluation panel recommends the submission from McCosker as it presents the best overall offer to Council.

**Probity**

To ensure the procurement process was conducted in a fair and impartial manner with the utmost integrity, Council appointed Peak Services as its independent Probity Advisor to oversee the process to minimise any probity risks.

**Risk Management Summary:**

The Harbour Arbour project has progressed through design and procurement phases and Council has now received tender submissions for the construction works. In considering whether to award or not award the contract, Councillors should consider the financial, service delivery, reputational, regulatory and safety risks associated with each option and Council's risk appetite.

If Council elects not to award the contract at this time, the immediate construction-related risks would be avoided. This may also provide Council with an opportunity to review the project scope, staging or delivery timing in response to budget constraints or competing capital priorities. However, deferring the project may introduce other risks.

Construction market conditions remain volatile, and delaying the project may expose Council to future cost escalation, particularly due to inflation, labour availability and supply chain pressures. A future procurement process may result in higher tender prices or reduced contractor availability. Council has an Open appetite with respect to financial risks.

There may also be reputational risks associated with delaying a project that has progressed through design and procurement phases, particularly where community expectations have been established. Council has a measured appetite with respect to reputational risk.

From a service delivery perspective, deferring the project would delay the delivery of planned streetscape improvements, supporting infrastructure upgrades and the broader CBD activation outcomes associated with the Harbour Arbour initiative. Council has an open appetite with respect to service risk.

**Options and Opportunity Analysis:**

**Option 1 – Endorse Tender 23-26 (Officer's Recommendation)**

Endorse the Tender Evaluation Panel's recommendation to accept the offer and enter into a Contract with McCosker Contracting Pty Ltd for Tender 23-26 based on the Tender being conducted in accordance with section 228 of the Local Government Regulation 2012 and Council's Procurement Policy and Procedures. As part of the process, this includes the evaluation methodology and criteria in the ITT.

In the interests of probity, an amendment to the evaluation methodology and/or criteria may require referral back to tenderers so that they can each have the opportunity to make any changes to their offers having regard to the amended criteria prior to re-evaluation.

**Option 2 – Refer back to officers for re-evaluation**

If Council is not satisfied with the evaluation methodology and criteria or the application thereof, Council may refer the matter back to officers for re-evaluation. This may delay the mitigation of ongoing risks associated with equipment failure, manual intervention, and treatment inefficiencies.

**Option 3 – Not proceed with Contract Award**

If Council is not satisfied with the proposed award, Council could dissolve Tender 23-26.

**Stakeholder Engagement:**

Internal stakeholder engagement has taken place during the planning and tender stages of Tender 23-26 as well as Community Consultation.

**Legal and Regulatory Implications:**

Council sought offers via VendorPanel in accordance with section 228 of the Local Government Regulation 2012 and Council's Procurement Policy.

Council's endorsement of this tender award is in accordance with the Register of Delegations – Exercise of Statutory Powers and Financial Delegation Register.

**Financial and Resource Implications:**

**Contract Award**

The contract value is \$12,617,184.10 ex GST and is included within the Capital Portfolio Program. As part of this cost, the estimate infrastructure and embellishments breakdown as follows:

- Critical End of life infrastructure replacement – \$7.175 million
- Placemaking & streetscape enhancements – \$5.441 million
- Amount of external funding – \$5.2 million

While the project may look like a simple footpath upgrade, the majority of the investment is in replacing critical underground infrastructure that has reached the end of its life. Once that essential work is complete, Council are using external funding to add placemaking and streetscape enhancements to the space, to make it more welcoming and encourage connection from our foreshore to our City Heart that is funded for by our Federal Government partnership/funding.

**Life of Project**

The Life of Project costs are currently \$11,562,809 ex GST. Should Council proceed with the proposed tender award, the Life of Project budget will be required to be uplifted to \$16,353,384 ex GST which accommodates engagement of contractor, internal and additional external costs such as engagements with ergonom and external engineering.

**Whole of Life Costs**

Estimates of whole of life costs are outlined in the table below. These estimates will continue to be refined throughout the project and incorporated into the Long Term Financial Forecast.

		<b>Annual</b>	<b>25yr Cumulative Costs</b>
<b>Maintenance</b>		<b>\$113,000</b>	<b>\$2,825,000</b>
Preventative	\$ 48,000		
Reactive	\$ 37,000		
Statutory	\$ 28,000		
<b>Life Cycle Replacement</b>		<b>\$132,000</b>	<b>\$3,300,000</b>
<b>Operational</b>		<b>\$129,000</b>	<b>\$3,225,000</b>
Cleaning / Presentation	\$34,000		
Landscaping / Horticulture Maintenance	\$46,000		
Utilities (Power / Water)	\$18,000		
Inspections / Administration / Asset Management	\$16,000		
Consumables / Minor Sundries	\$9,000		
Insurance / Overheads Allowance	\$6,000		
<b>Total</b>		<b>\$374,000</b>	<b>\$9,350,000</b>

**Anticipated Resolution Completion Date:**

The contract will be awarded in April 2026.

**Attachments:**

1. CONFIDENTIAL – Tender 23-26 Award Report

### **G/4.3. EXPENDITURE APPROVAL - TELSTRA MOBILE PHONES CONTRACT - 3 YEAR RENEWAL**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement and Manager Information, Communications and Technology (Contract Owner)

**Council Meeting Date:** 17 March 2026

**File Ref:** FM21.1

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**Purpose:**

This report seeks resolution from Council, in accordance with Council's Register of Financial Delegations, to approve expenditure in relation to Telecommunications Services - Mobile Services renewal with Telstra Limited (Telstra) of three-years commencing upon execution of the Contract.

**Officer's Recommendation:**

That Council:

1. Authorises the estimated expenditure of \$1,063,956 ex GST for the three-year Telecommunications Services - Mobile Services renewal agreement with Telstra Limited, dated commencing upon execution of the Contract; and
2. Authorise the Chief Executive Officer to execute the contract renewal and approve associated purchase orders (PO's) for the Mobile Services renewal with Telstra and associated variations for provision of additional mobile services during the term of this agreement.

**Summary:**

Council resolved (*resolution GM/25/5455*) that Telstra is a Specialised Supplier for telecommunications Infrastructure and as a telecommunications provider in Central Queensland at its General Meeting on 3 June 2025. This allows Council to make use of the provisions in s235(b) of the *Local Government Regulation 2012*, that allows for exceptions to the requirement for written quotes or tenders.

Due to the total cumulative value of the contract over three years being greater than the Chief Executive Officer financial delegation limit, the expenditure requires Council approval.

**Link to Corporate Plan:**

Delivering Value - We work efficiently to deliver value for your rates.

**Background:**

Council utilises mobility services (voice and data) across a range of devices, including Council-issued mobile phones, tablets, selected laptops, and field-based operational devices that support, monitor, and manage remote sites and systems. To ensure services meet operational needs and cost-saving opportunities are identified, usage is reviewed regularly throughout each device's lifecycle. Services are standardised to reduce administrative overhead and streamline support, while data pooling is used to minimise overage charges and improve utilisation of shared data.

## GLADSTONE REGIONAL COUNCIL GENERAL MEETING AGENDA - 17 MARCH 2026

On 12 June 2019, Council entered into a General Conditions of Contract for the Supply of Telecommunications Services Local Buy Arrangement (LBA), between Telstra and Local Buy (as lead agency for the participating National Procurement Network members – Municipal Association of Victoria (MAV), Local Government Association of Tasmania (LGAT) and Local Government Association of the Northern Territory (LGANT)). The term of the Agreement is as follows:

- The initial term, dated June 2019 for a three year term;
- Renewed term, date August 2022 for a three year period with additional one year;
- This Renewal term, dated March 2026 for a three year period

In early 2026, Council met with Telstra’s Local Government Client Partner, who advised of upcoming mobility plan price increases and recommended renewing the agreement ahead of the pricing uplifts. Mobility plan costs are expected to rise by approximately \$3.00 to \$4.00 (ex GST) per plan after April 2026. To avoid these uplifts, it is most beneficial to Council to secure the agreement pricing before 18 March 2026.

Council currently has a minimum of 1,141 individual mobility plans under this contract. If the pricing increase is applied, this would result in an additional cost of approximately \$40,000 to \$50,000 (ex GST) per annum.

### Renewal Offer

Renewals offered by Telstra for adaptive mobility commit if for a minimum schedule term of three years and a minimum spend per quarter of \$88,663.00 ex GST. In January 2026, a formal renewal was received from Telstra for a three-year period commencing upon execution of the Contract. The breakdown of costs for the renewal term are as follows:

Contract	Renewal Term	*Estimated Value (ex GST)
Year 1	March 2026 to February 2027	\$354,652
Year 2	March 2027 to February 2028	\$354,652
Year 3	March 2028 to February 2029	\$354,652
<b>Total estimated contract renewal value</b>		<b>\$1,063,956</b>

It’s noted the above are estimates only. During the next three-year term, there may be a requirement for additional mobile services, that would be deemed as an amendment to the renewal.

### **Risk Management Summary:**

Council has a moderate appetite for Financial, Regulatory and Legal Risk, and takes a balance approach to taking risks of this nature.

Renewing the engagement with Telstra via Local Buy, enables and ensures the continuance of a reliable and trusted service to our Council.

**Options and Opportunity Analysis:**

Council seeks to continue to engage Telstra via an LGA Arrangement in accordance with s234(a) of the *Local Government Regulation 2012*, which states that:

- *A local government may enter into a contract for goods and services without first inviting written quotes or tenders if the contract is entered into under an LGA arrangement.*

It's also noted that Council resolved Telstra engagement for telecommunications Infrastructure and telecommunications provider in Central Queensland in the annual 2024-25 General Specialised Suppliers dated 3 June 2025.

Council's approval of this expenditure is in accordance with the Financial Delegation Register.

**Stakeholder Engagement:**

Consultation has occurred throughout with the ICT Team.

**Legal and Regulatory Implications:**

Council's approval of this expenditure is in accordance with the Financial Delegation Register.

**Financial and Resource Implications:**

The expenditure of \$1,063,956 ex GST is the estimated value for the three-year contract renewal term and is included in the ICT budget.

**Anticipated Resolution Completion Date:**

The Order for Services, General Conditions of Contract for the Supply of Telecommunications Services LGA Arrangement NPN 1.18 agreement will be executed in March 2026.

**Attachments:**

Nil

## **G/4.4. WAIVER OF WASTE DISPOSAL FEES**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Revenue Services (Acting)

**Council Meeting Date:** 17 March 2026

**File Ref:** FM6.1 and FM7.1

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### **Purpose:**

To allow Council to consider delegating authority to the CEO to waive waste disposal fees in response to a disaster or an interruption to service.

### **Officer's Recommendation:**

That Council delegate authority to the CEO to waive waste disposal fees and charges in response to a disaster or an interruption to service.

### **Summary:**

The recent flooding experienced by the region resulted in customers being unable to receive or have access to waste services. Currently, a decision to waive waste disposal fees must be made by Council resolution. It is proposed that a delegation be put in place to allow the CEO to waive waste disposal fees and charges in response to a disaster or interruption to service to allow for timely decisions and communication to the public.

### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.  
Delivering Value - We work efficiently to deliver value for your rates.

### **Background:**

The need for the CEO's delegation to waive waste disposal fees and charges was demonstrated by recent storm activity which caused localised flooding and disrupted kerbside waste collection services with road closures preventing access to normal collection routes.

It is essential for Council to be able to provide certainty to the community in response to disasters and interruptions to service, particularly with regards to waste disposal which can pose a risk to public health and safety. Currently, the waiver of a fee or charge for waste disposal requires a Council Resolution which, depending on the timing of Council's General Meeting, can result in delays in decision making.

On occasions in the past, decisions to waive fees and charges following disaster events have been retrospectively endorsed by Council however this does not reflect good governance for Council or officers. The proposed delegation to the CEO, allows timely decisions and communication to the public. The CEO is well positioned to consider whether a waiver is in the interests of both the public and Council taking all factors into account. A delegation to the CEO does not prevent Council from exercising their authority with regards to waiving fees or charges.

### **Risk Management Summary:**

Council has a Minimal appetite for workplace practices, actions or inactions that compromise the wellbeing and safety of people including our employees, councillors, contractors, volunteers and community. Council pursues safe options that are low risk, applying reasonable, practical and affordable measures to eliminate risk where possible. The Officer's recommendation supports Council's risk appetite.

There are costs associated with waiving fees and charges related to waste disposal as it is revenue that Council could have under normal circumstances collected. Council's risk appetite provides that Council will tolerate minor losses, or capital outlays attributable to new processes or innovation to improve services to meet community needs. Consideration of impacts to Council's financial performance would be considered prior to making the decision to waive a fee or charge.

The proposed delegation to the CEO will also support timely response and good governance practice which is consistent with Council's measured appetite for reputational risk.

### **Options and Opportunity Analysis:**

#### Option 1 - Officer's Recommendation

A resolution in favour of the Officer's Recommendation, would provide the CEO with the ability to waive waste disposal fees and charges in response to a disaster or an interruption to service. An exercise of this delegation would be undertaken in consultation with relevant stakeholders, including councillors. Reporting on the impacts and outcomes of any waiver could be provided to Council post event.

#### Option 2 – Delegate to the CEO with restrictions

Council could delegate the power to waive waste disposal fees and charges in response to a disaster or an interruption to service with restrictions. In this instance, an appropriate resolution would be:

*"That Council delegate authority to the CEO to waive waste disposal fees and charges in response to a disaster or an interruption to service with the following conditions:*

- (a) ...*
- (b) ..."*

#### Option 3 – Do not delegate to the CEO

Council may elect not to make any changes to the waiver of fees and charges. In this event, to support good governance a resolution of Council would be required to initiate a waiver of fees and charges.

### **Stakeholder Engagement:**

Internal stakeholders have been consulted.

### **Legal and Regulatory Implications:**

Council's Register of Fees and Charges does not include a delegation to waive the fees associated with the disposal of waste. Decisions must therefore be made by Council. The Register of Fees and Charges can be amended at any time and there is an opportunity to explore a delegation.

### **Financial and Resource Implications:**

Systems are available to capture the amount of revenue associated with fee waivers. Where available, Council will seek to recover forgone revenue through appropriate funding or alternate cost recovery avenues.

### **Anticipated Resolution Completion Date:**

17 March 2026

### **Attachments:**

Nil

## G/4.5. MONTHLY FINANCIAL REPORT FOR THE PERIOD ENDING 28 FEBRUARY 2026

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Management Accounting Specialist

**Council Meeting Date:** 17 March 2026

**File Ref:** FM15.1

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### **Purpose:**

This report seeks Council adoption of the Monthly Financial Statements for the year 2025-26 to date, for the period ended 28 February 2026.

### **Officer's Recommendation:**

That Council receive the Monthly Financial Report for the period ended 28 February 2026 provided in accordance with s204 of the Local Government Regulation 2012.

### **Summary:**

This report provides Council with the Monthly Financial Statements as at 28 February 2026 indicating Council's performance against its budget for 2025-26. Significant variances against forecast have been highlighted with commentary provided.

### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.

### **Risk Management Summary:**

While it is a legislative requirement to provide a monthly financial report to Council, the provision of a monthly report assists Council to manage its financial, regulatory and reputational risk. Financial reporting supports accountability within Council and long-term sustainability.

Council's risk appetite provides that Council will tolerate:

- Minor budget variations to natural account and cost centres within overall budget parameters.
- Calculated financial risks to deliver infrastructure, improve service delivery, or promote ecological sustainability.
- Minor losses, or capital outlays, attributable to new processes or innovation to improve services to meet community needs.

### Emerging Risks

Instability arising from the conflict in Iran may create volatility in global markets, potentially affecting Council's financial performance, particularly in relation to:

- cost and availability of fuel for operations;
- cost of contractors, particularly in relation to the delivery of Council's capital program.

The 2025/26 budget included a provision of \$2,499,551 for fuel expenditure. The Q1 forecast revised fuel expenditure down to \$2,460,692, however an increase in fuel prices will impact Council's operating result. Officers will continue to monitor the prices and keep council informed of budget impacts and supply constraints.

## Background:

Section 204 of the Local Government Regulation 2012 requires local governments to prepare a financial report stating the progress that has been made in relation to the local government's budget. The financial report must be presented to Council at a General Meeting on a monthly basis. Actuals are reported against the adopted budget and Q1 Forecast.

## Financial and Operating Statement Overview as at 28 February 2026:

The attached monthly financial and operating statements outline Council's financial position as at 28 February 2026. Commentary is provided below.

### Overall Position

As of 28 February 2026, 66.58% of the financial year had passed. Accounts are therefore expected to fall within the range of 56% to 77% (+/- 10%) of the budget year to date (YTD).

The YTD operating result is -\$17.8m unfavourable. The position will improve and track closer to the forecasted position of -\$0.5m as water consumption, grants and income tax equivalents revenues are received in the second half of the year.

### Money we receive (revenue)

- \$162.3m in operating revenue has been collected so far (60.78% of forecast).
- There has been little change in revenue received from grants and income tax equivalents as this is expected in the last quarter of the year.
- Rates and utility charges are tracking slightly below target year to date, primarily due to the timing of revenue recognition. Discounts are recognised at the time of receipt rather than spread across the year. Water consumption revenue is billed and received on a six-monthly cycle in January and June. The January water consumption billing cycle has now been processed with actuals being lower than anticipated. This will be revised in the next forecast period.

### Money we spend (expenditure)

- \$180.2m has been spent operationally so far (67.35% of forecast).
- Equipment and motor vehicle expenses are trending high against forecast. Management will continue monitoring these accounts.
- Finance costs are high due to a timing difference in loan payments. Council's loan repayments are made monthly, while repayments from Gladstone Airport Corporation (GAC) to Council occur quarterly, creating a temporary variance in the year-to-date actuals compared to the forecast.

### Financial Health

- Cash balances remain healthy at \$184.9m, of which \$94.0m is invested in term deposits.
- Reported liabilities appear elevated due to unearned rates revenue, which will progressively unwind as rates are recognised through the income statement across the financial year.

### Capital Works & Projects

- \$49.5m has been invested in capital projects (47.10% of the budget and 51.13% forecast).

The high-level YTD summary above is supported by detailed comparison tables and variance explanations in the sections that follow.

## Detailed Analysis

### Recurrent Revenue

Recurrent revenue is tracking consistently with forecast, with timing differences across rates, water consumption and grants explaining the current actuals position.

#### **What's happening**

- Total recurrent revenue of \$162.3m (60.78%) aligns with the expected year-to-date profile.
- Discounts of \$17.1m (98.31% of forecast) have been applied, indicating continued high on-time payment compliance.
- Concessions of \$0.8m have been recognised in line with expectations.
- Water consumption revenue is recognised six-monthly. The first bi-annual allocation has now been recognised in January, with year-to-date revenue at 43.00% of the annual forecast.

### Interest & Investment Income – Key Upside Driver

Interest revenue remains a key positive contributor to Council's financial position.

#### **What's happening**

- \$5.6m recognised year to date (82.56% of forecast). This is driven by:
  - Higher average cash balances; and
  - Favourable interest rate conditions.
  - Queensland Treasury Corporation (QTC) interest returns of 4.32% in February, with term deposits yielding up to 4.93%.
  - While interest revenue remains sensitive to future rate movements, current performance supports the revised forecast, with potential for modest upside if conditions persist.

### Other Recurrent Revenue – Timing

#### **What's happening**

- The dividend for GAC has been received in full.
- Income tax equivalents from the Gladstone Area Water Board (GAWB), is generally confirmed and paid in the final quarter of the year.

### Grants & Contributions – Milestone-Based Timing

Grant revenue timing reflects project delivery milestones rather than funding risk.

#### **Recurrent grants**

- Financial Assistance Grant allocation of \$10.4m confirmed.
  - A \$5.2m prepayment was received in June 2025 and recognised in the prior year.
  - Remaining funding is being received quarterly through 2025-26.
  - The Forecast also includes an anticipated advance payment for 2026-27, expected in June 2026.
- Other operating state and federal grants (\$1.7m YTD, 33.61% of forecast) are recognised as milestones are achieved.
- The forecast includes \$1.8m for the GO Green Bin rollout which is expected later in the year.

**Capital Revenue**

- Capital revenue (state and federal grant funding and developer contributions) is at \$23.4m YTD (47.41% of forecast). Note: where funding has been received but milestones not yet met, amounts are recorded as contract liabilities on the Statement of Financial Position, not revenue.

Capital grants revenue budgeted and recognised for significant projects is detailed below, along with the corresponding expenses for these funded projects. Included in the table is the year-to-date (YTD) revenue as a percentage of the anticipated whole-of-life funding.

Project	Revenue Budget	Whole of Life Funding	Revenue YTD Actual	Expense YTD Actual	% Whole of Life Funding
<b>State Government Grants &amp; Subsidies</b>					
Backup power generator GECC	\$0.60m	\$0.64m	\$0.04m	\$0.05m	6.84%
Granite Creek Bridge - Lowmead Road	\$2.85m	\$6.70m	\$1.24m	\$2.12m	18.49%
Deepwater National Park Fire Trail Stage 1	\$2.00m	\$2.00m	\$0.06m	\$0.06m	3.13%
Stage 2 - GWWTP Inlet Distribution Structure Replacement	\$5.62m	\$8.77m	\$3.53m	\$3.57m	40.29%
Lake Awoonga Water Main Renewal - Auckland Street	\$1.32m	\$1.42m	\$1.19m	\$1.41m	83.77%
Round Hill 2 Reservoir	\$4.12m	\$4.26m	\$0.49m	\$1.65m	11.57%
REPA 2025	-	\$17.54m	\$0.23m	\$0.13m	1.51%
Other State Government Funding	\$0.80m	\$1.48m	\$0.55m	\$2.83m	52.85%
<b>TOTAL State Government Funding</b>	<b>\$17.70m</b>	<b>\$56.71m</b>	<b>\$7.35m</b>	<b>\$11.82m</b>	
<b>Federal Government Grants &amp; Subsidies</b>					
Boyne Tannum Aquatic Centre	\$4.04m	\$15.00m	\$0.40m	\$0.78m	2.65%
Harbour Arbour	\$0.25m	\$5.33m	\$0.46m	\$1.04m	8.64%
Agnes Water Skate Park	\$0.88m	\$0.97m	\$0.03m	\$0.12m	3.60%
Red Rover Road Bridge, Gladstone	\$1.39m	\$1.54m	\$0.03m	\$0.04m	2.09%
Tableland Road, Calliope - Pavement Rehabilitation	\$1.17m	\$0.60m	0.05m	\$0.11m	8.27%
Other Federal Government Funding	\$1.49m	\$2.11m	0.20	\$0.56m	9.38%
<b>TOTAL Federal Government Funding</b>	<b>\$9.22m</b>	<b>\$25.56</b>	<b>\$1.17m</b>	<b>\$2.65m</b>	
<b>TOTAL State and Federal Funding</b>	<b>\$26.93m</b>	<b>\$81.76m</b>	<b>\$8.75m</b>	<b>\$14.47m</b>	

**Recurrent expenditure – Tracking with Service Delivery**

Expenditure trends remain consistent with operational activity and service delivery at this stage of the year.

Key drivers are:

- Recurrent expenditure of \$180.1m (67.31%) aligns with forecast progression.
- Employee benefits slightly above forecast assumptions due to lower vacancy rate (4.9% vs 7.0% assumed).
- Consultant expenditure (50.96%) remains below forecast, reflecting timing of planned engagements.
- Contractor expenditure (63.48%) tracking in line with forecast, concentrated in core service areas.
- Equipment and motor vehicle expenses elevated early due to front-loaded purchases and hire.
- Legal expenses higher than budgeted YTD, with forecast revised to reflect activity levels.
- Staff associated expenses are tracking below forecast (53.13%), primarily due to the timing of training activities.

**Statement of Financial Position**

	<b>Current Value</b>	<b>Budget</b>	<b>Variance (Actual to Budget)</b>	<b>Forecast</b>	<b>Variance (Actual to Forecast)</b>
Year-to-date Assets	<b>\$3.2b</b>	<b>\$3.2b</b>	<b>-0.44%</b>	<b>\$3.3b</b>	<b>-3.27%</b>
Year-to-date Liabilities	<b>\$247.6m</b>	<b>\$183.4m</b>	<b>35.02%</b>	<b>\$204.5m</b>	<b>21.11%</b>
Year-to-date Liabilities (excl. unearned rates revenue)	<b>\$182.1m</b>	<b>\$183.4m</b>	<b>-0.72%</b>	<b>\$204.5m</b>	<b>-10.95%</b>

*Liabilities have been presented both including and excluding unearned rates revenue. The two will converge and be the same by June 2026, as all rates revenue is recognised on the profit and loss.*

The budget for assets and liabilities reflects the expected positions at 30 June 2026. Significant balance sheet movement is still expected to occur throughout the year:

- Cash to increase as rates are paid.
- Receivables to decrease as rates are paid.
- Cash to decrease as expenses are incurred and loan repayments are made.
- Property, plant and equipment balance to move based on in-year capital additions and disposals.
- Unearned rates revenue to decrease as recognised on the profit and loss statement each month.
- Borrowings to decrease as loan repayments are made.

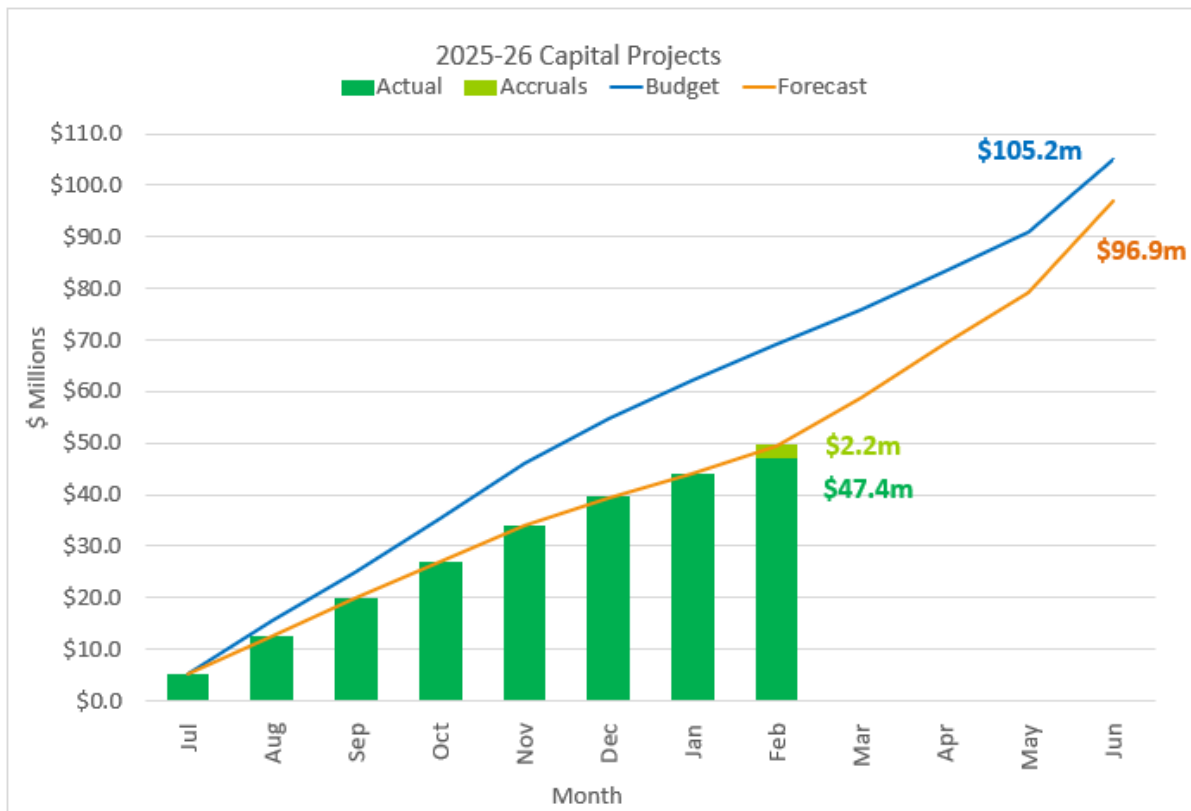
**Capital Expenditure**

The current forecast of capital expenditure for 2025-26 is \$96.9m with actual spend of \$49.5m (51.13% of forecast.)

Capital expenditure for groups with significant capital budgets is summarised in the table below:

Group	YTD Actual	Budget	Actual as % of Budget	Forecast	Actual as % of Forecast
Roads	\$19.0m	\$26.2m	72.40%	\$28.1m	67.73%
Sewerage	\$13.3m	\$26.5m	50.20%	\$22.0m	60.57%
Delivery Support and Performance	\$0.9m	\$6.0m	15.57%	\$5.0m	18.68%
Property Assets	\$0.0m	\$0.4m	7.02%	\$0.0m	0.00%
Asset Governance	\$0.0m	\$5.0m	0.00%	\$5.0m	0.00%
Waste	\$1.4m	\$2.6m	55.33%	\$3.5m	39.92%
Parks	\$1.2m	\$5.6m	20.38%	\$4.9m	23.54%
Community & Lifestyle	\$0.2m	\$0.4m	52.49%	\$0.4m	56.85%
Water	\$9.2m	\$19.8m	46.49%	\$14.5m	63.48%
Strategic Projects	\$1.9m	\$10.9m	17.38%	\$10.9m	17.27%
Other	\$2.4m	\$1.7m	137.03%	\$2.6m	91.66%
<b>Total</b>	<b>\$49.5m</b>	<b>\$105.2m</b>	<b>47.10%</b>	<b>\$96.9m</b>	<b>51.13%</b>

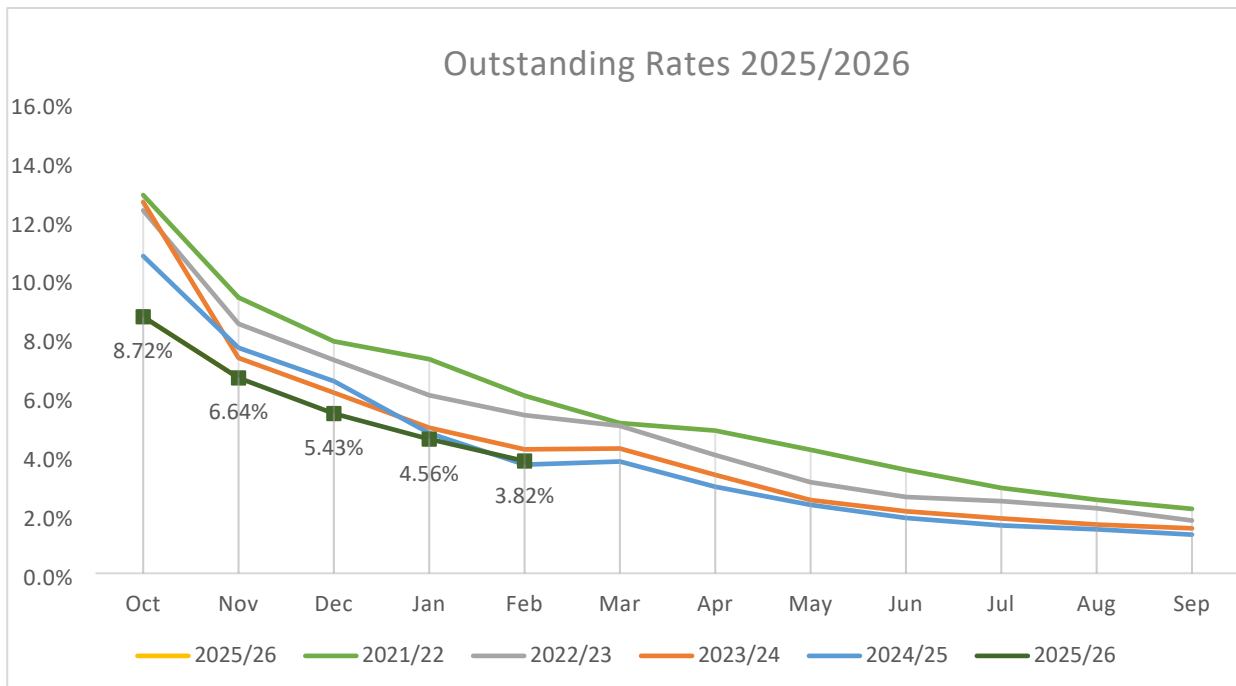
Accrual estimates of \$2.2m have been included in the actuals to account for major claims relating to capital work undertaken in February.



**Outstanding Rates**

Outstanding rates, as a percentage of gross rates levied (2025/2026), and collectible, is at 3.82% at the end of February 2026, an improvement of 0.13% when compared to the same period last year. Current outstanding rates for 2025/2026 is \$8.69m of which 16.68% is commercial / industrial and 83.32% is residential assessments.







These figures include \$5.19m of rates that are currently being repaid under an authorised payment plan, for which there were 38 commercial/industrial assessments and 1,928 residential assessments.



### Sustainability Ratios

Financial ratios provide a useful snapshot of Council's financial status and emerging trends. Individual ratios do not provide enough information to form a comprehensive opinion of Council's financial position and performance, but when the right mix of ratios are considered together, they become a valuable tool in analysing Council's overall financial performance.

Ratio Explanation	2025-26 Budget	2025-26 Forecast	Current YTD		Prior Yr YTD	5 Year Average		Commentary
<b>Financial Capacity</b>								
<b>Council Controlled Revenue Ratio:</b> This ratio is contextual only; therefore, it has no target measure	87.75%	87.25%	89.14 %		83.81%	83.08 %		Although there is no target for this ratio, the high 5-year average and current YTD indicate Council's continued strong position to generate revenue without heavy reliance on other external sources.
<b>Population Growth Ratio:</b> This ratio is contextual only; therefore, it has no target measure Ratio is measured annually	2.35%	NA	1.84%		NA	1.40%		For Gladstone, maintaining financial sustainability amidst its unique population growth patterns will require a balanced approach, integrating both proactive infrastructure investment and cautious financial management.
<b>Operating Performance</b>								
<b>Operating Surplus Ratio:</b> Target >0% Measured over a five-year average	0.56%	-0.18%	-10.94%	●	0.84%	0.02%	●	The current year's result is affected by minimal water consumption, income tax equivalent (ITE) and grant income recognised to date. As water consumption is 6-monthly and both the ITE and financial assistance grant are expected in the last quarter of the year. The ratio will trend closer to forecast as this revenue is received.
<b>Operating Cash Ratio:</b> Target >0% Measured over a five-year average	24.23%	23.36%	14.99%	●	23.15%	23.79%	●	The YTD and 5-year average result of this ratio reflects the continuing strong cash position of Council, proportional to operating costs.
<b>Liquidity</b>								
<b>Unrestricted Cash Expense Cover Ratio:</b> Target > 3 mths Measured over a single year	5.53	5.43	10.09	●	12.93	NA		The high forecast and YTD result of this ratio shows Council is in a strong cash position to cover planned and unplanned expenditure into the future.

Asset Management								
<b>Asset Sustainability Ratio:</b> <b>Target &gt; 80%</b> <b>Measured over a five-year average</b>	99.02%	99.02%	73.56%		75.65%	84.78%		Infrastructure renewals have accounted for 56.07% of capital expenditure YTD, with the balance on new and upgrade projects.
<b>Asset Consumption Ratio:</b> <b>Target &gt; 60%</b> <b>Measured over a five-year average</b>	69.01%	NA	69.37%		68.69%	70.37%		Both the YTD and budgeted ratio results indicate that Council's assets are being broadly consumed in line with their estimated useful lives.
<b>Asset Renewal Funding Ratio:</b> <b>This ratio is contextual only; therefore, it has no target measure</b> <b>Ratio is measured over the 10-year long-term financial forecast period</b>	NA	NA	108.97%		NA	NA		The asset renewal ratio indicates a well-aligned relationship between Council's capital requirements and the forecasted renewal program, supporting the delivery of infrastructure and assets required to meet community needs in the future. <i>This ratio was not measured in 2025.</i>
Debt Servicing Capacity								
<b>Leverage Ratio:</b> <b>Target 0-3 times</b> <b>Measured over a five-year average</b>	0.95	0.93	2.17		1.60	1.66		<p>Both the YTD and 5-year average result of this ratio reflect Council's ongoing ability to manage its debt.</p> <p>This position is reinforced with each year that no new borrowings are undertaken.</p>

### Stakeholder Engagement:

This report seeks specialist input from relevant internal sources.

### Legal and Regulatory Implications:

Council is required to receive an update at least monthly relative to its financial position, Section 204 Local Government Regulation 2012.

### Anticipated Resolution Completion Date:

N/A

### Attachments:

1. Monthly Financial Statements for the period ending 28 February 2026
2. Operating Statements for the period ending 28 February 2026

## G/4.6. REVIEW OF PROCUREMENT POLICY

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Contracts and Procurement and Governance Business Partner

**Council Meeting Date:** 17 March 2026

**File Ref:** CM28.2

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### **Purpose:**

To consider the annual review of the Procurement Policy.

### **Officer's Recommendation:**

That Council adopt the Procurement Policy provided as Attachment 1 to the Officer's Report.

### **Summary:**

This report considers a proposed minor amendment to the Procurement Policy following annual review.

### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.  
Connecting Communities - We work with you and for you, supporting the success of our communities.  
Delivering Value - We work efficiently to deliver value for your rates.  
Our People - We look after our people, so they look after you.  
Resilient Economy - We play our part in supporting the success of our region.

### **Background:**

Pursuant to section 198(3) the *Local Government Regulation 2012*, the Procurement Policy must be reviewed annually. Significant changes were made to the policy in 2021 with the policy endorsed without amendment in subsequent years up to 2024. Minor amendments were made in 2025 through the inclusion of references to the Reconciliation Action Plan, Small Business Friendly Program, and Local Content sections. This year it is recommended that Council re-endorse the 2025 policy with the correction of a minor spelling error (section 6 of the Policy).

### **Risk Management Summary:**

The proposed policy position is within Council's risk appetite and establishes the principles that apply to Council's procurement activities ensuring that the activities are responsible, safe, fair, and value for money. Whilst Council takes an open approach toward pursuing options that may have financial or service delivery consequences (where risk can be effectively mitigated), Council has a low drive for reward for health and safety and environment consequences which is reflected in the proposed policy.

Adoption of a policy further supports Council's measured approach towards regulatory and compliance risk as it reinforces Council's commitment to good governance and meeting legislated requirements. It further enacts decisions that are fair, transparent, honest, and accountable.

### **Options and Opportunity Analysis:**

#### Option 1 – Adopt the Amended Policy (Officer’s Recommendation)

Council’s supply chain continues to face challenges (i.e. inflation, material availability, etc); however, officers do not believe that the principles outlined within the existing policy intensify these challenges. Whilst it is not proposed to alter the intent of the policy, officers are proposing a correction of a minor error as shown in the tracked changes version (Attachment 2).

#### Option 2 – Adopt the Proposed Policy with Amendments

Council may seek to have further amendments made to the proposed policy and an alternative resolution could be:

*That Council adopt the Procurement Policy provided as Attachment 1 to the Officer’s Report subject to the following amendments:*

1. \_\_\_\_\_
2. \_\_\_\_\_

### **Stakeholder Engagement:**

The Contracts and Procurement Team have been engaged in the review process. Councillors were also invited to provide feedback during the review of the policy.

### **Legal and Regulatory Implications:**

Pursuant to section 198(1) of the *Local Government Regulation 2012*, Council must prepare and adopt a policy about procurement and further pursuant to section 198(3) the policy must be reviewed annually.

The proposed policy is consistent with the sound contracting principles set out in section 104(3) of the *Local Government Act 2009*.

### **Financial and Resource Implications:**

There are no additional financial or resource implications associated with the adoption of the amended policy. Further, procurement activities must be carried out within relevant budget constraints and financial delegations.

A summary of the performance of the existing Procurement Policy is provided as Attachment 4. Some key highlights of our procurement activity over the first six months of the 2025-2026 financial year are:

- Total Spend \$79.4m;
- 64% Local Business Spend across 663 local suppliers;
- 87% of spend on planned, managed contracts with the balance on Purchase Orders; and
- 1.9% First Nations spend across 13 suppliers

### **Anticipated Resolution Completion Date:**

Within 2 weeks of resolution.

### **Attachments:**

1. Proposed Procurement Policy
2. Proposed Procurement Policy (Tracked Changes)
3. Existing Procurement Policy
4. 2025-2026 Six Month Procurement Summary

## **G/4.7. REVIEW OF COUNCILLOR EXPENSES REIMBURSEMENT AND PROVISION OF FACILITIES POLICY**

**Responsible Officer:** General Manager Finance Governance and Risk

**Prepared By:** Manager Governance and Risk (Acting)

**Council Meeting Date:** 17 March 2026

**File Ref:** CM28.2

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### **Purpose:**

To consider the proposed amendments to the Councillor Expenses Reimbursement and Provision of Facilities Policy.

### **Officer's Recommendation:**

That Council adopt the Councillor Expenses Reimbursement and Provision of Facilities Policy provided as Attachment 1 to the Officer's Report.

### **Summary:**

This report considers the proposed amendments to the Councillor Expenses Reimbursement and Provision of Facilities Policy following review.

### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.

### **Background:**

Pursuant to section 250 of the *Local Government Regulation 2012*, Council is required to adopt an expenses reimbursement policy providing for the payment of reasonable expenses incurred by Councillors for discharging their duties and responsibilities as Councillors.

The policy provides accountability and transparency in the reimbursement of expenses and the provision of facilities provided or incurred by Councillors in the conduct of Council business. The scope of the policy does not include Councillor remuneration which is provided in accordance with the determinations by the Local Government Remuneration Commission.

### **Risk Management Summary:**

Adoption of a policy supports Council's measured approach towards regulatory and compliance risk as it reinforces Council's commitment to good governance and meeting legislated requirements. It further demonstrates transparency in the reimbursement of expenses and the provision of facilities provided or incurred by Councillors when conducting Council business and aligns with opportunities Council seeks in generating a positive community perception.

Amendments proposed to the policy are within Council's appetite and reflect Council's low drive for reward and minimal appetite for health and safety risk. Mitigation measures associated with travel are provided for in the proposed policy and introduce the ability for consideration to be given to the Councillor's ability to perform official duties safely and effectively (i.e. fatigue management).

## Options and Opportunity Analysis:

### Option 1 – Adopt the Proposed Policy (Officer’s Recommendation)

Following a review of the policy, officers propose the following amendments:

- enhanced commitment to health and safety and introduction of the ability to consider the risk to the health and safety of a Councillor (i.e. fatigue management and ability to perform duties efficiently and safely) when determining travel modes;
- recognition that Councillors will incur expenses in relation to the Councillor’s appointment as Council’s representative on boards, committees, and/or groups (i.e. Local Authorities Waste Management Advisory Committee, Capricorn Pest Management Group, etc);
- change to allow the Chief Executive Officer to approve Councillor attendance at a conference in Australia (previously Queensland) where there is a budget allocation and the Councillor has attended no more than three conferences in the current financial year;
- alignment of meal and incidental costs with the Australian Tax Office allowances; and
- update to template including new evaluation of policy section.

### Option 2 – Adopt the Proposed Policy with Amendments

Council may seek further amendments to the policy and an alternative recommendation could be:

*That Council adopt the Councillor Expenses Reimbursement and Provision of Facilities Policy provided as Attachment 1 to the Officer’s Report, subject to the following amendments:*

1. \_\_\_\_\_
2. \_\_\_\_\_

### Option 3 – Retain the Existing Policy

Council may seek to retain the existing policy without amendment. This option is not recommended as the proposed policy seeks to enhance the health and safety of Councillors, align expenses with the Australian Taxation Office allowances, and includes additional travel purposes (i.e. meetings associated with a Councillor’s appointment as Council’s representative to a board or committee).

## Stakeholder Engagement:

Elected Members were invited to provide feedback during the review of the policy.

## Legal and Regulatory Implications:

Section 250 of the *Local Government Regulation 2012* requires a local government to adopt an expenses reimbursement policy. In addition, section 250 also requires that any amendments to the policy be made by resolution of Council. The proposed policy meets these requirements.

## Financial and Resource Implications:

No additional financial or resource implications associated with the adoption of the proposed policy are anticipated to this year’s budget. Council considers and adopts an expenses and facilities provision allocation as part of the annual budget.

## Anticipated Resolution Completion Date:

Within two weeks of the resolution.

## Attachments:

1. Proposed Councillor Expenses Reimbursement and Provision of Facilities Policy;
2. Proposed Councillor Expenses Reimbursement and Provision of Facilities Policy (Tracked Changes);
3. Existing Councillor Expenses Reimbursement and Provision of Facilities Policy.

## G/4.8. VOLUNTEER MARINE RESCUE ROUND HILL LEASE

**Responsible Officer:** General Manager Community and Lifestyle

**Prepared By:** Community Leasing Officer

**Council Meeting Date:** 17 March 2026

**File Ref:** CP8.2

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### **Purpose:**

To consider new leasing arrangements at 539 Captain Cook Drive, Seventeen Seventy to facilitate the transfer of Volunteer Marine Rescue Round Hill Inc to Marine Rescue Queensland, which sits under the Queensland Police Service.

### **Officer's Recommendation:**

That Council resolves that s236(1)(b)(i) of the *Local Government Regulation 2012* applies to the lease of Lot 25 SP 297173 and Lot 5 SP 160769, situated at 539 Captain Cook Drive, Seventeen Seventy to the State of Queensland, represented by Queensland Police Service for a period of 30 years at a rental of \$1.00 per annum payable on demand.

### **Summary:**

Volunteer Marine Rescue (VMR) is in the process of transferring to Marine Rescue Queensland (MRQ), an agency that sits under Queensland Police Service (QPS). VMR currently lease land from Council at 539 Captain Cook Drive. To facilitate the transfer of VMR to MRQ, QPS have requested that the existing lease to VMR be surrendered and that Council enter into a new lease with QPS. Section 236(1)(b)(i) of the *Local Government Regulation 2012* allows Council to lease a property to a Government Agency for less than market value and without having to undertake a tender or auction process.

### **Link to Corporate Plan:**

Accountable Council - We are providing good stewardship built on a foundation of trust.

Connecting Communities - We work with you and for you, supporting the success of our communities.

Delivering Value - We work efficiently to deliver value for your rates.

Resilient Economy - We play our part in supporting the success of our region.

### **Background:**

Council is trustee of a recreational reserve situated at 539 Captain Cook Drive, Seventeen Seventy, which is zoned for Community Facilities.

VMR currently leases part of the land from Council under a registered lease (shown as blue shaded area in Image 1). The lease commenced on 1 October 2017 and expires 30 September 2027, and the Lessee is occupying the land in accordance with its terms.

As part of a Queensland Government initiative to strengthen frontline capabilities and improve disaster response across the state, VMR has been transitioning to MRQ, a new agency that sits under the Queensland Police Service

QPS and VMR are parties to a Transition Framework Agreement (Refer Confidential Attachment 1) to transfer VMR's lease, assets and related matters to the QPS, MRQ division.



Image 1 – 539 Captain Cook Drive

QPS/MRQ have requested that given that there is only two years remaining on the lease to VMR, that the current lease be surrendered and a new lease is entered into between Council and QPS.

**Risk Management Summary:**

Entering into a new lease does not change Council’s current risk profile and the transaction is within Council’s risk appetite.

**Options and Opportunity Analysis:**

In order to support the continued delivery of marine rescue services to the region, it is the Officer’s recommendation that Council enter into a new lease with Queensland Police Service on the following terms:

- Lease Area: As per the current lease (Image 1 above);
- Term: 30 years;
- Rent: \$1.00 per annum payable on demand;
- Outgoings: The responsibility of the Lessee;
- Maintenance: The responsibility of the Lessee; and
- Conditions: Standard community lease conditions.

**Stakeholder Engagement:**

Officers have engaged with VMR and MRQ to determine the most appropriate way to facilitate the lease transfer.

Through the Officer’s engagement with QPS MRQ Division, the following is provided by the Lessee as supporting information:

<b>March 2026</b>	
What are the main functions carried out at the premises?	<p>The premises operate a marine radio communications centre, with volunteers monitoring VHF channels (including VHF 16, 81, 82) every day.</p> <p>The unit coordinates and assists in search and rescue operations for vessels or individuals in distress within their area of responsibility (from Pancake Creek to Baffle Creek and offshore to Lady Musgrave Island and the Bunker Group reefs).</p> <p>Volunteers respond to marine emergencies, providing assistance to people or vessels in trouble.</p>

	<p>The premises are used for training volunteers in search and rescue procedures, marine operations, radio communication, first aid, and other essential skills.</p> <p>The unit provides safety information and education to the boating public, helping them understand marine hazards and best practices for safe navigation.</p> <p>The premises serve as a base for volunteers, including executive, radio operators, boat crew and support personnel.</p>
<p>What is the reason for the proposed surrender of the VMR lease and renewal of the lease with QPS?</p>	<p>Volunteer Marine Rescue (VMR) units in Queensland are now becoming part of the Queensland Police Service (QPS) due to state-wide emergency services reform and the establishment of a new, unified marine rescue service called Marine Rescue Queensland (MRQ) under QPS.</p>
<p>What is the justification for requesting a lease term longer than Council's standard offering?</p>	<p>A 30-year lease reduces:</p> <ul style="list-style-type: none"> <li>• Risk of displacement</li> <li>• Service disruption</li> <li>• Costs associated with relocation</li> </ul> <p>The justification is based on:</p> <ul style="list-style-type: none"> <li>• Long-Term Infrastructure Investment</li> <li>• Operational Certainty for an Essential Service</li> <li>• State-Wide Standardisation</li> <li>• Funding and Budget Frameworks</li> <li>• Risk Management and Asset Protection</li> </ul>
<p>What success have been achieved at this location, and what challenge have arisen as a result of the site's location?</p>	<p>The unit completes around 12-20 activations a year, namely towing, breakdowns (flat battery, no fuel) and medivacs. The unit also works closely with QLD Ambulance and QLD Fire Department services.</p> <p>The unit has been continuously operating since it was founded in 1975, originally as <i>Air Sea Rescue Round Hill</i> and later becoming <i>Volunteer Marine Rescue Round Hill</i>. They celebrated 50 years of service in 2025, which is a significant milestone in community marine safety.</p> <p>Challenges are largely geographic, environmental and logistical rather than organisational.</p> <p>The Creek is a challenge as it's not often flushed out. There has not been good run off in years and it cannot be dredged as it is too close to the Marine Park zone.</p>
<p>Are there any planned upgrades or improvements to the premises?</p>	<p>The unit is looking to install a 3-bay shed to house vehicles, tenders and equipment, all of which are currently stored at a volunteer's house (or elsewhere) as there is no room at the current facility. Options are currently being investigated.</p>

**Legal and Regulatory Implications:**

Under s227 of the *Local Government Regulation 2012* ("LGR"), Council cannot dispose of a valuable noncurrent asset contract (a contract for the lease or sale of freehold land) unless it first invites written tenders or offers the non-current asset for sale by auction.

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Section 236 (1)(b)(i) of the LGR provides an exception to s227 where the valuable non-current asset is disposed of to a government agency. This lease can only apply where before the disposal, the local government has decided, by resolution, that the exception may apply to the local government on the disposal of a valuable non-current asset other than by tender or auction.

By virtue of s236(1)(b)(i) and s236(2), Council can enter into a fee simple lease with the lessee without first inviting written tenders or sale by auction, and for a value below market value because the Lessee is a government agency.

### **Financial and Resource Implications:**

The renewal of the lease will be undertaken by the Community Leasing Team and will not require any unbudgeted resources (financial or otherwise).

### **Anticipated Resolution Completion Date:**

It is estimated that the lease renewal could be finalised and executed by 30 May 2026.

### **Attachments:**

1. CONFIDENTIAL – Marine Rescue Queensland Transition Framework Agreement 2025

**G/5. COUNCILLORS REPORT**

**G/6. URGENT BUSINESS**

**G/7. NOTICE OF MOTION**

**G/8. CONFIDENTIAL ITEMS**