CAIRNS CITY COUNCIL

MINUTES

MEETING: CAIRNS WATER COMMITTEE

TUESDAY, 20 JUNE 2006

FOLLOWING WORKS & SERVICES COMMITTEE

PRESENT:  Councillor P Gregory (Chairperson)
           His Worship the Mayor, Councillor K Byrne
           Councillor F Lindsay
           Councillor T James
           Councillor J Pezzutti
           Councillor P Freebody

OFFICERS:

D Farmer  Chief Executive Officer
B Gardiner General Manager Cairns Water
A Bird    Manager Business Services
G Schofield Manager Community Relations
J Lawrence Secretary
L Matthewson Secretary

OBSERVERS: Councillor M Gill
            Councillor M Cochrane
The meeting was opened by the Chairperson, Cr Gregory.

**APOLOGY**

No apologies received

1. **WATER DEMAND MANAGEMENT PROGRAM**
   B Gardiner : 24/22/212-01: #1190862

**RECOMMENDATION:**

JAMES / LINDSAY

That Council:

1. Endorse the Water Demand Management Strategy;

2. Note that various components of the Demand Management Strategy will be presented to Council at a later date for approval;

3. Note that the Demand Management Strategy will be reviewed should the application for funding under the Water and Sewerage Program (WASP) Reduction of Water Loss / Consumption component not be successful.

**INTRODUCTION:**

Cairns City Council, in partnership with the State Government, commissioned a Least Cost Planning Study (LCPS) in 2004, to identify the potential water supply options for Cairns to the year 2044.

The LCPS recommendations adopted by Council in June 2005 included a number of water demand management activities that were to be undertaken to improve the efficiency of existing supplies and delay the need for new supplies to come on line. Cairns Water has further researched these activities for inclusion in a Demand Management Strategy (DMS).

The DMS provides a summary of the key demand reduction and system management activities that Cairns Water intends to undertake in the next three years. The document will be used to communicate the proposed actions to the Cairns community and also to support a funding application to the State Government for water system leakage and consumption management.
BACKGROUND:

Cairns City Council, in partnership with the State Government, commissioned a Least Cost Planning Study (LCPS) in 2004, to identify the potential water supply options for Cairns to the year 2044. The LCPS identified the Mulgrave Aquifer as potentially the most cost effective next supply for Cairns, subject to feasibility assessment. The Barron River is the next potential supply for the City should the Mulgrave Aquifer not prove feasible.

Modelling undertaken during the LCPS indicated that the existing supplies could reach capacity by 2008 if growth continued and consecutive wet season rains failed. In addition, the existing main Freshwater Treatment Plant may reach its design capacity on peak supply days without augmentation within the next 5-8 years.

The LCPS also recommended that a number of water demand management activities be undertaken to improve the efficiency of existing supplies and delay the need for new supplies to come on line. Cairns Water has further researched these activities for inclusion in a Demand Management Strategy (DMS).

As the first major step in demand management, in March 2006, Cairns City Council endorsed a 10% per person water conservation target to drive water savings across Cairns. The Council also adopted a Rainwater Tank Policy in February 2006 to encourage the use of rainwater tanks to reduce the demand on potable supplies.

The DMS provides a summary of the additional key demand reduction and system management activities that Cairns Water will undertake in the next three years to assist in reducing water demand and improving water use efficiency across Cairns.

COMMENT:

The activities in the DMS have been categorised into either demand reduction or system management actions. These have been identified as providing the best potential returns in water savings and will be supplemented by additional activities over time such as investigating the planning conditions imposed on new residential developments, and adoption by the commercial sector of the mandatory water appliance efficiency labelling scheme.

The key actions proposed in the area of demand reduction are:

1. Public education and communication on water conservation and demand management
2. Council water conservation initiatives targeted at Council facilities and operations
3. The potential introduction of permanent water conservation measures
4. A showerhead retrofit program in existing homes
5. Investigation of water conservation incentives for Commercial Customers
6. Investigation of opportunities to use recycled water.
The key system management actions are:

1. Installation of district meters, pressure management and leak detection and repair
2. Reduction of unbilled and illegal connections
3. Optimisation of raw water supply and treatment plant operations.

The estimated water savings that may be achieved from the implementation of the DMS are 8.5 ML/day which is equivalent to approximately 10% of average daily demand.

**CONSIDERATIONS:**

**Corporate and Operational Plans:**

The DMS relates directly to Corporate Key Goal No.5 Our Water Supply. The specific strategy is 5.3 Wiser use of water by all members of the Cairns community. Demand management has been actively addressed since the recommendations of the Least Cost Planning Study (LCPS) were adopted by Council in June 2005. The demand management component of the LCPS has been included in the 2005/06 and the 2006/07 Cairns Water Operational Plans.

**Statutory:**

Under the *Queensland Water Act 2000* water service providers must have an approved System Leakage Management Plan (SLMP) directed at minimising water losses from the distribution system. Large service providers must implement the SLMP by 1st October 2006. The DMS will be used as part of our compliance with this requirement.

**Policy:**

There are no Council policies that relate specifically to the DMS.

**Financial and Risk:**

A summary of the proposed budget for the DMS is shown in the table below. More details are provided in the report. It should be noted that the proposed budget and savings are similar to those presented by other water suppliers in both Queensland and Victoria.
**Proposed water savings and budget**

<table>
<thead>
<tr>
<th>Program</th>
<th>Estimated Water Savings (L/day)</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Demand Reduction</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public Education and Communication</td>
<td>430,000</td>
<td>460,000</td>
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<tr>
<td>Communication and Education Officer</td>
<td></td>
<td>96,501</td>
</tr>
<tr>
<td>Permanent Water Conservation Measures</td>
<td>860,000</td>
<td>30,000</td>
</tr>
<tr>
<td>Showerhead Retrofit Program</td>
<td>670,000</td>
<td>490,000</td>
</tr>
<tr>
<td>Water Conservation Commercial Customers</td>
<td>730,000</td>
<td>160,000</td>
</tr>
<tr>
<td>Cairns City Council Water Audits</td>
<td></td>
<td>70,590</td>
</tr>
<tr>
<td>Wastewater Reuse</td>
<td>150,000</td>
<td>100,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,840,000</td>
<td>1,407,091</td>
</tr>
<tr>
<td><strong>System Management</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>District Metering /Pressure Management</td>
<td>3,980,000</td>
<td>2,298,837</td>
</tr>
<tr>
<td>Leak Detection</td>
<td></td>
<td>500,000</td>
</tr>
<tr>
<td>Non Revenue Water Apparent Losses</td>
<td>500,000</td>
<td></td>
</tr>
<tr>
<td>Optimise Operations</td>
<td>1,200,000</td>
<td>25,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>5,680,000</td>
<td>2,823,837</td>
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<tr>
<td><strong>Combined Total</strong></td>
<td>8,520,000</td>
<td>$4,230,928</td>
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</tbody>
</table>

Approximately 75% of the proposed DMS 2006/07 budget has been included in the 2006/07 capital and recurrent budgets for Cairns Water. An application for funding for the program will be submitted to the Queensland Government under the Water and Sewerage Program (WASP) Reduction of Water Loss / Consumption program. Up to 50% of program funding is available under this scheme. In the event that funding support is not provided, the DMS may be reviewed and scaled down or the timelines to achieve the set tasks may be extended.

A risk of successfully implementing the demand management program is the potential for a reduction in revenue from water sales impacting on the financial performance of Cairns Water. The potential impact of this has been modelled and is considered a low risk due to the following reasons.

Over 60% of the water savings from the program are expected to be achieved from the system management activities. Water lost through system leakage is non-revenue water (ie it is not currently sold). Operating costs to produce this water are therefore in effect financial losses. By reducing the system leakages will provide additional water for sale to consumers.

With regard to direct demand reduction, we do not anticipate that there will be an immediate significant reduction in per capita consumption by consumers but this will occur over a several year period. We expect that the reduction in total demand will be closely matched by the current population growth.
In addition, there will be a reduction in water treatment and supply costs commensurate with the volume of reduced demand. There will also be savings through the deferment of capital works required to meet demand of $7 to $8 million based on estimates the LCPS.

**Sustainability:**

The DMS will contribute directly to increasing the sustainability and security of the current water supply for Cairns. It will also defer the need for additional supplies for several years therefore reducing potential environmental impacts arising from any new sources of water.

**CONSULTATION:**

Consultation on the development of the DMS has primarily been internal with Cairns Water and Council staff. However, the DMS is largely based on the findings of the Least Cost Planning Study which involved external consultants and key government agencies such as the EPA and DNRM&W. A workshop on the demand management activities of the Council was held with both these agencies in January 2006.

Councillors also attended a workshop on the DMS in May 2006.

**OPTIONS:**

The Council has 3 main options with regard to the DMS:

1. Endorse the demand management strategy noting that some actions in the document will require future endorsement by Council
2. Endorse a revised strategy with less activities
3. Choose not to endorse the strategy.

**CONCLUSION:**

The preferred option is for Council to endorse the Demand Management Strategy, noting that some actions in the strategy will require further endorsement by Council prior to implementation. It should also be noted that the strategy may be reviewed and revised if a funding submission under the state WASP program is not successful.

*carried*
2. QUEENSLAND WATER COMMISSION

B Gardiner : 24/1/5-24: #1190246

RECOMMENDATION:

FREEBODY / LINDSAY

That the report on the establishment of the Queensland Water Commission be received and noted.

INTRODUCTION:

The State Government amended the Water Act (2000) on 18 May 2006 to allow for the establishment of the Queensland Water Commission (QWC). The key roles of the QWC include:

1. providing advice to government on achieving water security through supply options and demand management measures
2. preparing and enforcing operating rules for the water supply system
3. facilitating new water infrastructure in certain circumstances.

While the QWC currently only has jurisdiction in the South East Queensland region, there is scope in the legislation to increase the area of control to other parts of Queensland.

This report provides information on the establishment, powers and intended operation of the QWC and identifies some of the potential impacts on Cairns Council should the QWC role be expanded to the Far North.

BACKGROUND:

The Water Act (2000) has been amended with a substantial new Chapter 2A. The main purpose of chapter 2A is to ensure the delivery of sustainable and secure water supply and demand management for the SEQ region and designated regions. The Act now allows the Minister to make and implement Regional Water Security Programs for regions. The Minister will do so following advice from the QWC. The main functions of the QWC are depicted in the chart in the report and are to:

1. Advise the Minister on:
   a. matters relating to water supply and demand management
   b. the delivery of desired levels of service objectives for water supplied to the SEQ region and designated regions
2. Facilitate and implement the regional water security programs
3. Ensure compliance with the Regional Water Security Programs
4. In appropriate cases, impose restrictions on water supply
5. Monitor and enforce compliance with the restrictions.

The QWC has been established as a unit of public administration and a statutory body. The QWC has the power to appoint staff and establish advisory bodies. It does not have the power to own or operate assets.

The QWC has three representatives appointed by the Governor in Council for a maximum term of three years. The Commissioners will commence with the QWC on 19 June 2006. The chair of the QWC is Ms Elizabeth Nosworthy. Ms Nosworthy has more than 20 years experience as a commercial lawyer and is an adjunct Professor of Law at the University of Queensland. Since leaving the law 14 years ago, she has worked full time as a non-executive company director. She has considerable experience at Board level in both public and private sectors.

Mr David Green is also to be appointed as a commissioner. Mr Green is the Leader of the National Energy & Utilities Advisory Group at Ernst & Young and has been the lead adviser to the Queensland Government on financial and economic issues associated with the water reform process.

Mr Jamie Quinn is the third commissioner named by the Premier. Mr Quinn is a fellow of Local Government Managers Australia and the Australian Institute of Company Directors. He has extensive experience in Local Government management, holding positions of Chief Executive Officer or Deputy Chief Executive Officer continuously since 1974, in a diverse range of Councils throughout Queensland.

The role of the QWC with regard to planning is to provide advice to the Government on Regional Water Supply Options. In developing Regional Water Supply Options the QWC must address each of the following issues:

a. Water service providers for water supply works in the region who should have desired levels of service objectives;
b. What are desired levels of service objectives for each of the water service providers mentioned in paragraph (a);
c. Demand management for water in the region;
d. The extent to which implementation of the levels would involve modifying existing water supply works or building new water supply works;
e. Assessing the likely costs and pricing implications of addressing the issues mentioned in paragraphs (c) and (d);
f. The preferred ways of sharing the cost, taking into account the extent to which end-users of water benefit from the demand management, and the modifications or building.

Once advised by the QWC on Regional Water Supply options, the Minister has 4 months within which he must make and publish comment on the advice, and also publish a Regional Water Security Program to achieve water security for the region.
The QWC has three key roles in terms of implementation of Regional Water Security Programs. These are described below.

1. **System Operating Plans**

   Develop System Operating Plans for a specific region to allow implementation of Regional Water Supply options. The System Operating Plan must give effect to the regional water security program and state each of the following:

   1. The plan area for the plan
   2. The water supply works in the plan area
   3. The water service providers for the water supply works
   4. The share of water available under the plan to each of the water service providers
   5. The desired levels of service objectives and other obligations, requirements and other regulatory provisions imposed on the water service providers under the plan.

   A system operation plan must be consistent with any water resource plan applying to the plan area such as the Barron Resource Operations Plan. Before making the system operating plan the Commission must make reasonable endeavours to consult with each proposed water service provider for the plan area.

2. **Ensuring compliance with the System Operating Plan**

   Water Service Providers must abide by the requirements of System Operating Plans if established for a region. The commission may require a water service provider to provide information to it and also require a water service provider to publish a notice about the extent to which the provider has complied with the plan. There are penalties for water service providers who do not comply with these requests.

3. **Impose water restrictions**

   The QWC may impose water restrictions in a region in certain circumstances. The provision for setting water restrictions is very similar to the existing provisions under the Water Act for water service providers. The QWC may also impose restrictions on the use of rainwater tanks connected to a service providers water supply in a region.

**COMMENT:**

Press releases have indicated that the QWC was established to oversee the somewhat fragmented planning and management of water supply in SEQ. There are currently 19 major water supply storages that are owned by 12 different entities, and eighteen local Councils that deliver water to their respective ratepayers in SEQ.

The Minister may expand the area of jurisdiction of the QWC, but he must first consult with Local Councils in the proposed area before doing so. The Minister may carry out the consultation in any way the Minister considers appropriate.
There is the potential for the QWC to become the implementation body for regional strategies such as the Far North Queensland Water Supply Strategy currently underway and subject of a separate report to Council.

CONSIDERATIONS:

Corporate and Operational Plans:

The establishment of the QWC currently has no bearing on the Corporate and Operational Plans. There may be some influence of the QWC in the Far North in future years should the Government decide to extend the jurisdiction of the QWC.

Statutory:

The QWC has been set up under the revised provisions of the Water Act (2000) section 2A. There are provisions in the new section of the Act that may impact on Cairns Water should the jurisdiction be increased to cover our region.

Policy:

N/A

Financial and Risk:

The commission and the performance of the commission’s functions are to be funded by an annual levy on water service providers. Failure to pay the levy may result in the State recovering the levy as a debt.

The quantum of the levy will be set in regulations yet to be finalised.

Sustainability:

N/A

CONSULTATION:

Consultation has occurred with the Department of Natural Resources, Mines and Water on the establishment of the QWC in preparing this report.

OPTIONS:

There are no options to consider for Council as the report is for noting only.

CONCLUSION:

That the Council note the report on the establishment of the Queensland Water Commission.

*carried*
3. FAR NORTH QUEENSLAND WATER SUPPLY STRATEGY

B Gardiner : 24/1/5-24: #1189794

RECOMMENDATION:

SHEPPARD / BYRNE

That the report be received and noted.

INTRODUCTION:

The Far North Queensland Water Strategy (FNQWS) commenced in December 2005 and is due to be finalised in early 2007. The FNQWS is being undertaken in response to concerns about the current and long-term security of water supply in the region. It aims to provide guidelines to address the increasing demand and competition for water resources in the Far North region.

The FNQWS will look at all water supply options and create a plan that is economically, socially, environmentally sustainable. The Strategy will encompass a 50 year project horizon, taking into account urban growth, climate change and increased demand for water from agriculture and industry.

This report provides a summary of the FNQWS objectives, methodology to be employed, and progress made to date.

BACKGROUND:

The FNQWS was announced by the Natural Resources and Mines Minister Henry Palaszczuk in December 2005. The study is being jointly sponsored by the Department of Natural Resources and Mines (NR&M), SunWater and Cairns City Council.

The FNQWS is similar to the South East Queensland Water Strategy that is currently being implemented, and the Central Queensland Water Strategy for which a draft report for public comment was issues in December 2005 for the Fitzroy Basin and nearby coastal areas.

The FNQWS encompasses the catchments of the Mulgrave, Barron and North Johnstone rivers, and part of Herbert, Walsh, Upper Mitchell, Mossman and Lower Daintree Rivers. The Douglas Shire has also recently been added to the study region.
The FNQWS intends to address the need for long-term planning, through development of a widely accepted plan for water supply over the next 20 to 50 years. The stated objectives of this project in the project plan are to:

- Identify supply sources and water management measures suited to the intended use of the water. This will consider the aspirations for urban, agricultural, industrial development and environmental protection of this region;
- Assess possible strategies using a multi-criteria analysis in social, environmental, cultural and economic terms;
- Develop mechanisms for protection of strategic sites for the future by providing a pathway and milestones for the development of identified sources;
- Provide a transparent decision process for the proposed strategy that will be of assistance to future decision makers in implementing the strategy;
- Undertake consultation with focus group representatives to enable the acceptance and finalisation of the strategy as efficiently as possible.

The study consists of 5 phases as outlined in the table below.

<table>
<thead>
<tr>
<th>Phase</th>
<th>Intent</th>
<th>Key Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1, Literature Review</td>
<td>Collate available information from existing documentation to inform following phases of work</td>
<td>Task completed</td>
</tr>
<tr>
<td>Phase 2, Consultation</td>
<td>Undertake a series of workshops with focus groups to obtain feedback on previously identified water supply and management options</td>
<td>1. Stakeholder meetings 2. Focus group workshops 3. Website development</td>
</tr>
<tr>
<td>Phase 4, Strategy Development</td>
<td>Characterise individual supply options and development of possible strategies using a combination of these options to suit possible scenarios</td>
<td>1. GIS mapping 2. Multi-criteria assessment 3. Scenario planning and testing</td>
</tr>
<tr>
<td>Phase 5, Report Finalisation</td>
<td>Develop an easy to read document that receives stakeholder acceptance.</td>
<td>1. Select preferred strategy 2. Undertake a public submission process 3. Receive government endorsement</td>
</tr>
</tbody>
</table>
The FNQWS is being project managed by ARUP consultants and also includes a technical reference panel (TRP) and a higher level steering committee. Council is represented on both the TRP and the steering committee.

**COMMENT:**

Key achievements of the project to date include completion of the literature review, identification of the potential water supply options, and conducting of the focus groups.

There were four focus group workshops held across the region including one each Cairns City, Palm Cove, Mareeba and Atherton. The stated purpose of the workshops was to:

- Receive feedback on people’s vision for the future
- Share with people the complexity of the task; and
- Swap information about the supply options.

A broad range of groups were invited to attend the workshops including Dairy Farmers, the Centre for Appropriate Technology, Cairns Chamber of Commerce, Engineers Australia, Irrigators, and the Cairns and Far North Environment Centre. Cairns Water staff also attended one of the workshops.

Probably the main outcome from the workshops was the review by participants of the available information on potential supply options for the region. This was achieved by participants ‘ranking’ the impact of each option on natural resources, the environment, social and cost factors. The results of this preliminary ranking can be viewed on the FNQWS website [http://www.fnqwaterstrategy.com.au/](http://www.fnqwaterstrategy.com.au/) under the Focus Group Consultation menu.

The next key stages of the project will include the Technical Reference Panel contributing to the development of the criteria for the multi-criteria assessment which will then be used to assess each of the options.

Our current understanding is that a final draft of the report is to be provided to DNRMW in December which will be reviewed and go on public exhibition in early February. The project manager has offered to present at a Council workshop at an appropriate stage in the project prior to the final draft should the Council desire this to occur.

The issue of ownership and implementation of the strategy has received limited discussion to date but will be the focus of future steering committee meetings.
CONSIDERATIONS:

Corporate and Operational Plans:

The FNQWS is linked to the Corporate Goal 5 Our Water Supply and relates to strategy:

5.1 Secure timely access to additional quality sources of water, with sources secured with minimal harm to the natural environment.

Statutory:

There are no statutory impacts on the completion of the FNQWS. The FNQWS may in time become the guiding document for the future water supplies in the Far North Region.

Policy:

There are no specific Council policy implications relating to the FNQWS.

Financial and Risk:

Cairn City Council’s input into the FNQWS is via work in kind and relates to provision of information on existing supplies and also the findings of the Mulgrave Aquifer feasibility study should these be available before the completion of the project.

Sustainability:

The FNQWS will utilise multi-criteria assessment in the selection of the preferred future water supply for the region. This assessment will include balancing the economic, social and environmental factors that are impacted by the various options and should result in the most sustainable solution being identified.

CONSULTATION:

The FNQWS project manager has been consulted in the preparation of this report.

OPTIONS:

N/A

CONCLUSION:

That the report be noted.

carried
4. GENERAL POLICY RENEWALS/RECONSIDERATION 48
B Gardiner:JEA 1/3/33-01: #1192467

RECOMMENDATION:

LINDSAY / FREEBODY

That the following Council General Policies be re-endorsed:

- Cairns Water Acceptance of Regulated Waste for Disposal
- Cairns Water Removal of Material from Landfills and Transfer Stations

BACKGROUND:

Council and Cairns Water policies require periodic review to ensure that they continue to be relevant over time. This report refers to two policies relating to the acceptance and removal of waste at Council’s transfer stations.

COMMENT:

The policies to this report have been reviewed and are considered to be in order to recommend to Council for re-endorsement for a further four (4) years.

These policies are:

- Cairns Water Acceptance of Regulated Waste for Disposal
- Cairns Water Removal of Material from Landfills and Transfer Stations

carried
RECOMMENDATION:

SHEPPARD / FREEBODY

That the report be received and noted.

INTRODUCTION:

The following update is provided on current major projects being undertaken by Cairns Water.

Project 1: CLEANER SEAS INITIATIVE

Project Manager: Stephen Devlin

Project Steering Group: Refer to Stephen Devlin

Consultant: SKM Pty Ltd

Scope of Works: This major project will involve substantial upgrades to four Wastewater Treatment Plants over the period 2006 to 2010 with expenditure well in excess of $100M. Construction on the first, the Marlin Coast plant, is currently scheduled to begin construction in fourth quarter of 2006.

Key Achievements:

- Meetings were held with the EPCM contractor 15 & 16th May in Cairns to workshop Submerged Membrane Filtration (SMF) option with Cairns Water and Cairns City Council, with George Crawford of CH2MHILL (US) invited to provide technical expertise for discussions. A Multi Criteria analysis and Risk Assessment workshop were undertaken to compare the SMF and conventional options

- Marlin Coast P&ID’s supplied by EPCM contractor and reviewed by Cairns Water staff, and review comments provided to EPCM contractor on June 7th.

- Project Control Group meeting held in Brisbane on June 7th to discuss Procurement Strategy and schedule, Draft Electrical specifications and Northern SMF design.
Issues

- With respect to the Northern WWTP, further information has been provided into bypass flow issues and aeration transfer efficiency. Provision of detailed membrane concepts ongoing by the EPCM contractor using best industry practice and detailed discussion with membrane suppliers.

- Northern Addendum SMF process summaries provided on 2 May for review by CW staff.

- With respect to the Southern WWTP, remaining issue relates to concept design proposal for odour management. EPCM contractor has been requested to review Bio-trickling filter option and possible capital requirements in sewer catchment.

- Cost estimates have received considerable attention since the December 2005 HP2 submission. This has resulted in more transparent cost estimates being prepared. Following from that clarity Cairns Water have been able to secure cost reports which more accurately reflect the concept designs being proposed, with a consequential reduction in cost.

- The ongoing revision of HP2 documents has caused a 3-month delay to the project schedule. However, this should not delay the construction tender due for release late 2006. Detailed design of Marlin Coast will shortly commence followed by Edmonton.

- Odour modelling has been redone based on site investigation work. This work has identified very high sulphides coming into most of the plants, and this indicates a strong risk of both odours and corrosion occurring within the sewerage system. GHD has been commissioned to investigate the level of sulphides in the system and the options available to CW to control them. GHD has been provided with information on network details, historical odour information and trial work was undertaken on 29 & 30\textsuperscript{th} May to measure wastewater characteristics in the Marlin Coast WWTP catchment.

Future Milestones

HAZOP meetings scheduled for Marlin Coast WWTP and Edmonton WWTP from 27-29\textsuperscript{th} June and 3-5\textsuperscript{th} July respectively.

Financial Data

<table>
<thead>
<tr>
<th>Contract</th>
<th>Agreed Budget</th>
<th>Current Forecast</th>
<th>Cost to Date</th>
<th>Comment on Variance</th>
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</thead>
<tbody>
<tr>
<td>EPCM Contract</td>
<td>$9,475,474</td>
<td>$11,400,000*</td>
<td>$2,773,381</td>
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</tr>
<tr>
<td>Marlin Coast</td>
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<td>$22,500,000</td>
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</tr>
<tr>
<td>Northern</td>
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<td>$40,000,000</td>
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<tr>
<td>Southern</td>
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<td>Edmonton</td>
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<td>$11,000,000</td>
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<td>Total Plant Contracts</td>
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<td>TOTAL</td>
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<td>$118,200,000</td>
<td>$2,773,381</td>
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</table>

* EPCM fee to be subject to discussion upon acceptance of remaining 2 plants.

Note that current estimates of the total project cost are currently at +/- 15% accuracy.

The current status of the **EPCM Contract** is (all values ex GST):

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target Fee at Tender</td>
<td>$8,879,806</td>
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<tr>
<td>Agreed Variations</td>
<td>Nil</td>
</tr>
<tr>
<td>Rate Escalation</td>
<td>6.9% at 1 July 2005 on remaining time based fee of $8,632,865 (ie, an increase of $391,840)</td>
</tr>
<tr>
<td><strong>Revised Target Fee at 1 July 2005 rates</strong></td>
<td>$9,475,474</td>
</tr>
<tr>
<td>Invoiced Fee to Date (including retention held by CCC)</td>
<td>$2,773,381 (29.26% of Revised Target Fee)</td>
</tr>
<tr>
<td>Retention of Fee by CCC</td>
<td>$251,521.62 (26.27% of Revised Target Fee)</td>
</tr>
<tr>
<td>Earned Value</td>
<td>$ Pending review of target fee</td>
</tr>
<tr>
<td>Variance of Cost to Earned Value</td>
<td>Slightly over budget due to additional drawings and issues.</td>
</tr>
<tr>
<td>Budgeted Cost to date</td>
<td>$2,061,905</td>
</tr>
<tr>
<td>Variance to budget</td>
<td>Behind budget cash flow due to later delivery of Hold Point 2 documents than expected.</td>
</tr>
<tr>
<td>Forecast Fee at Tender date rates</td>
<td>$8,879,806</td>
</tr>
<tr>
<td>Forecast Fee at 1 July 2005 rates</td>
<td>$9,475,474 (to be revised)</td>
</tr>
</tbody>
</table>

SKM forecast EPCM expenditure for the following:

- March - $300,000
- April - $400,000
- May - $400,000

Estimates based on the proposition that work progresses to detailed design for Marlin Coast and Edmonton WWTP’s.

**Project 2:** **BARRON RIVER WATER SUPPLY SCHEME**

**Project Manager:** Jon Turner

**Project Steering Group:** Bruce Gardiner, Steve Devlin, Jon Turner

**Consultant:**
- GHD – Process Selection of WTP
- GHD – Detailed design of intake and pump station
- Consultant currently being selected to prepare TOR for the following tasks:
  - Pipelines - detailed design and documentation
  - Statutory Approvals
  - Geotechnical investigation.

**Scope of Works:** There are a significant number of stages to this scheme with the program for implementation intertwined with the Mulgrave River Aquifer Scheme and Demand Management Program.
The Stages include:
- Raw Water Quality Monitoring Program
- Intake & Pump Station Concept Design
- Barron River ROP submission for release of water and Planning Report
- Kamerunga Water Treatment Plant Process Selection
- Design Phase of the Scheme
- Construction Phase (yet to be approved by Council)

Key Achievements

The major achievements to date include:
- Statutory approvals granted for construction of the intake and pump station on the Barron River.
- Water Quality Monitoring of the Barron River at Lake Placid is ongoing and expected to be completed by mid 2006.
- The Barron River ROP submission including the Planning Report is complete and forwarded to DNRM.
- A meeting was held between Cairns Water, DNRM and EPA on 31 January 2006. Cairns Water provided a review of actions flowing on from the Least Cost Planning Study. An inspection was made of the future Barron River Intake and Copperlode Falls Dam.
- Draft of the Terms of Reference for the detailed design of the pipelines, Statutory approvals and geotechnical investigation has been received by Cairns Water and is currently under review by Cairns Water officers.

Issues

Cairns Water is currently waiting on a formal response from DNRM&W as part of their review and approval of the Barron River ROP submission and Planning Report.

Future Milestones

- Public tender for pipeline design and documentation, statutory approvals in July 2006.
- Future meeting with DNRM&W to progress the Barron River ROP approval to be conducted after the awarding of the Mulgrave River Aquifer Feasibility Study.
- A renewal of the WTMA approval to construct the intake and pump station is to be undertaken as part of the detailed design task.
Financial Data

<table>
<thead>
<tr>
<th>Project No</th>
<th>Project Name</th>
<th>Total Cost Inception to Date</th>
<th>Current Revised Budget 05/06</th>
<th>Year To Date 05/06 Actual Expenditure</th>
<th>Outstanding Commitments</th>
<th>Variance to Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCW2030</td>
<td>BARRON RIVER WATER SUPPLY</td>
<td>217,589</td>
<td>1,134,907</td>
<td>52,117</td>
<td>16,894</td>
<td>1,065,896</td>
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<tr>
<td>PCW6804</td>
<td>Detailed P &amp; D for Barron River Intake - Stage 1</td>
<td>-</td>
<td>26,100</td>
<td>-</td>
<td>-</td>
<td>26,100</td>
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<tr>
<td>PCW6810</td>
<td>BARRON RIVER WATER SUPPLY PLANNING</td>
<td>226,610</td>
<td>31,348</td>
<td>31,936</td>
<td>-</td>
<td>588</td>
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<tr>
<td>PCW6855</td>
<td>PLAN &amp; DESIGN BARRON RIVER INTAKE</td>
<td>1,146</td>
<td>20,000</td>
<td>1,146</td>
<td>-</td>
<td>18,854</td>
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<tr>
<td>PCW6860</td>
<td>P&amp;D BARRON RIVER RAW WTR MINS</td>
<td>-</td>
<td>50,000</td>
<td>-</td>
<td>-</td>
<td>50,000</td>
</tr>
<tr>
<td>PCW6865</td>
<td>P&amp;D BARRON RIVER SUPPLY MAINS</td>
<td>-</td>
<td>77,700</td>
<td>-</td>
<td>-</td>
<td>77,700</td>
</tr>
<tr>
<td>PCW7506</td>
<td>LEAST COST PLANNING STUDY</td>
<td>-</td>
<td>20,000</td>
<td>-</td>
<td>-</td>
<td>20,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$ 446,344.58</strong></td>
<td>$ 1,360,054.50</td>
<td><strong>$ 85,199.00</strong></td>
<td><strong>$ 16,893.50</strong></td>
<td><strong>$ 1,257,962.00</strong></td>
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</tr>
</tbody>
</table>

Please Note

- YTD for PCW2030 has been reduced by $24,137 from July. This amount was accrued to last year 04/05.

Project 3: MULGRAVE RIVER AQUIFER SCHEME

Project Manager: Jon Turner

Project Steering Group: Bruce Gardiner, Steve Devlin, Jon Turner

Consultant: GHD Pty Ltd

Scope of Works:

Based on the outcomes of the Least Cost Planning Study and recommendations adopted by Council, the investigation phase of the Mulgrave River Aquifer Scheme is currently underway. This work involves the following major tasks:

- Engineering Feasibility Study of the Mulgrave River Aquifer
- Environmental Feasibility Study of the Mulgrave River Aquifer.

Key Achievements

Response was received from the Commonwealth DEH with regard to EPBC Act Referral 2005/2390, bore field and associated infrastructure. DEH has advised that the proposed action is a controlled action with the controlling provisions being:

- Section 12 and 15A (World Heritage)
- Section 18 and 18A (Listed threatened species and communities)
- Section 20 and 20A (listed migratory species).

The Commonwealth Environment Minister has issued a statement advising a level of assessment commensurate with a Public Environment Report (PER) is required for the Mulgrave River Aquifer Feasibility Study.
The scope of a PER includes:

- an assessment of the relevant impacts of pre-specified key issues;
- assessment of key issues to include the collection of new information and further analysis of existing information.

GHD Pty Ltd has been engaged to undertake the investigation.

Issues

The Mulgrave River Aquifer Scheme investigations are a major undertaking and will take a considerable amount of time to complete. The outcomes of the investigations have a bearing on whether Cairns City Council next water supply source is derived from this source or the Barron River.

Future Milestones

- Award of drilling contract in July 2006
- Commencement of field drilling in August 2006.

Financial Data

Included in the Barron River Water Supply Scheme report.

Project 4: **WATER DEMAND MANAGEMENT PROGRAM**

Project Manager: Eric Zesers

Project Steering Group: Steve Devlin, Jan Christian, Alex Ung, Jon Turner; Lia McDonald, Eric Zesers.

Scope of Works: Based on the outcomes of the Least Cost Planning Study and recommendations adopted by Council, Cairns Water are enhancing the existing demand management program which commenced in early 2004. A Draft Demand Management Strategy has been developed, incorporating the following initiatives:

- Community education
- Showerhead retrofit program
- Permanent water conservation measures
- Water Conservation for Commercial Customers
- Cairns Water and Cairns City Council water use audits
- A comprehensive leakage reduction effort including the establishment of Pressure Management and District Metering areas.
- Ongoing leak detection
- Reduction of unbilled and illegal connections
- Review of raw water supply and Treatment Plant operations
- Recycled water opportunities.

The largest undertaking for Cairns Water is the establishment of pressure management areas and district metering areas. This involves major changes to the operation of our water reticulation system and improving our ability to track unaccounted for water. The success and timeliness of the demand management program has implications on when Cairns City Council’s next water supply source is required.

**Key Achievements**

Draft Demand Management Strategy prepared.

Development of a water conservation education program has commenced.

Approximately 30% of the district metering zones are in place and operating.

Leak detection works started in the CBD in May 2006.

Implementation of the use of treated effluent for process use at Northern and Marlin Wastewater Treatment Plants. This will save approximately 700ML of potable water per annum.

A comprehensive technical review of flowmeter types has been completed involving the major flowmeter suppliers. A preferred supplier has been selected and an order for Package 1 of the flowmeter has been issued.

Arup engaged to undertake scoping study on the potential for recycled water use at Flecker Botanic Gardens.

**Future Milestones**

- Complete district metering by February 2007
- Launch Communication and Education Campaign August 2006
- Secure external funding for Demand Management Program
Financial Data

<table>
<thead>
<tr>
<th>Project No</th>
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<tbody>
<tr>
<td>PCW6700</td>
<td>WATER LOSS &amp; DEMAND MANAGEMENT</td>
<td>300,891</td>
<td>82,926</td>
<td>82,926</td>
<td>-</td>
<td>0</td>
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<tr>
<td>PCW7050</td>
<td>CONTINUING PROGRAMS - DEMAND MGT &amp; WATER LOSS</td>
<td>32,826</td>
<td>24,440</td>
<td>32,826</td>
<td>-</td>
<td>8,386</td>
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<td>PCW7051</td>
<td>RESIDENTIAL AUDIT</td>
<td>62</td>
<td>62</td>
<td>62</td>
<td>-</td>
<td>-</td>
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<tr>
<td>PCW7052</td>
<td>COMMERCIAL AUDIT</td>
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<td>50,930</td>
<td>219</td>
<td>-</td>
<td>49,781</td>
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<td>PCW7053</td>
<td>PRESSURE MANAGEMENT</td>
<td>1,488,440</td>
<td>1,482,270</td>
<td>1,263,164</td>
<td>225,276</td>
<td>330</td>
</tr>
<tr>
<td>PCW7054</td>
<td>GROUND PENETRATING RADAR</td>
<td>22,734</td>
<td>22,734</td>
<td>22,734</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>PCW7063</td>
<td>NORTHERN BEACHES DEMAND ASSESSMENT</td>
<td>2,100</td>
<td>25,000</td>
<td>2,100</td>
<td>-</td>
<td>22,900</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$1,847,272.39</td>
<td>$1,694,431.96</td>
<td>$1,404,031.00</td>
<td>$225,276.09</td>
<td>$65,124.87</td>
</tr>
</tbody>
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Project 5: CAMPBELL STREET PUMP STATION, GORDONVALE

Project Manager: Jon Turner

Consultant: John Wilson & Partners (JWP)

Scope of Works: Detailed design and documentation of the new Campbell St Pump Station, Gordonvale to replace the existing aging pump station. The existing pump station was constructed in the 1940s and has been the subject of an investigation into the benefits of a major rehabilitation of the pump station versus construction of a new pump station. The recommended option was to design and construct a new pump station adjacent to the existing and abandon the existing pump station.

Key Achievements

Cairns Water has provided a review of the preliminary design drawings supplied by JWP.

Cairns Water’s review noted a number of major variations to the design concept namely:

1. Configuration and operational volume of the wet well.
2. Provision of a divided pump well instead of a single well.
3. Construction of a pump house to house control equipment, switchboards, etc.

Cairns Water has received a satisfactory response from JWP on these variations and final design and documentation is now being completed.

The design of the pressure main has been completed.
Issues
Nil

Future Milestones

Construction of the new pump station to be undertaken following the end of the 2005/2006 wet season.

Final design plans for the pump station are now programmed to be completed by the end of May 2006.

Financial Data

<table>
<thead>
<tr>
<th>Project No</th>
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<th>Total Cost Inception to Date</th>
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<th>Year To Date 05/06 Actual Expenditure</th>
<th>Outstanding Committals</th>
<th>Variance to Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCS6442</td>
<td>CAMPBELL ST PUMP STATION</td>
<td>151,970</td>
<td>821,778</td>
<td>87,010</td>
<td>33,333</td>
<td>701,434</td>
</tr>
<tr>
<td>PCS7402</td>
<td>CAMPBELL STREET RISING MAIN</td>
<td>2,425</td>
<td>489,526</td>
<td>2,425</td>
<td>-</td>
<td>487,101</td>
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<tr>
<td></td>
<td>Total</td>
<td>$154,395.30</td>
<td>$1,321,303.55</td>
<td>$89,435.00</td>
<td>$33,333.30</td>
<td>$1,198,535.25</td>
</tr>
</tbody>
</table>

Project 6: COPPERLODE FALLS DAM HYDROGENERATION PLANT FEASIBILITY STUDY

Project Manager: Jon Turner

Consultant: GHD Pty Ltd

Scope of Works: Undertake an engineering and economic feasibility study of a proposed hydrogeneration facility at Copperlode Falls Dam.

Key Achievements:

Comments on draft report forwarded to Consultants in order to finalise report.

Issues

Draft report indicates the economic viability of the scheme based on a net present value analysis is subject to speculation on the future traded value of Renewable Energy Credits (REC). A number of scenarios have been considered in the economic analysis.

The scheme is only considered economically viable if an optimistic outlook on the future REC value is adopted.

One of the scenarios investigated involved development of eco-tourism at Lake Morris and the provision of electricity to this development at retail rates. This scenario was marginally viable depending on the amount of electricity able to be made available at retail.
Future Milestones  
Final report to be submitted by 23 June 2006

Financial Data

<table>
<thead>
<tr>
<th>Project No</th>
<th>Project Name</th>
<th>Total Cost Inception to Date</th>
<th>Current Revised Budget 05/06</th>
<th>Year To Date 05/06 Actual Expenditure</th>
<th>Outstanding Committals</th>
<th>Variance to Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCW6213</td>
<td>COPPERLODE DAM HYDRO SCHEME</td>
<td>22,633</td>
<td>27,562</td>
<td>22,633</td>
<td>-</td>
<td>4,929</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Total</td>
<td></td>
<td>$22,633.00</td>
<td>$27,562.00</td>
<td>$22,633.00</td>
<td>$ -</td>
<td>$4,929.00</td>
</tr>
</tbody>
</table>

Project 7: BRAMSTON BEACH SEWERAGE & WATER SUPPLY SCHEME

Project Manager: Jon Turner

Consultant: GHD Pty Ltd

Scope of Works: Undertake planning report for the provision of sewerage system for Bramston Beach Community and upgrade of the water supply system. This work will lead into the implementation phase of a sewerage collection, treatment and disposal scheme and water supply upgrade for Bramston Beach.

Key Achievements

Preparation of Planning Report has been awarded to GHD Pty Ltd. Inception meeting held on 4 April 2006.

A community consultation plan has been developed and agreed with the consultant.

Initial consultation meeting with EPA officers was undertaken in early May 2006 with the objective of initiating the technical working group consisting of statutory authority representatives.

Community Consultation Meeting No. 1 was undertaken on 30 May 2006.

Issues

An integrated approach to addressing water and sewerage infrastructure in Bramston Beach is considered paramount to a successful outcome. The Integrated Water Cycle Management (IWCM) model has been included as a desirable outcome for Bramston Beach.

Assessment of the sustainable yield of the existing Joyce Creek and Worth Creek Water Supply Intakes is currently underway. Outcomes of this assessment may represent a significant driver to economically justify an IWCM solution.
Future Milestones

Planning report is programmed to be completed in August 2006. Design and statutory permit/approval acquisition is expected to take up to 12 months to complete, ie. August 2007.

Construction of the scheme expected to be completed by end 2008 subject to statutory approvals.

Financial Data

No financials to report.

carried

6. ENVIRONMENTAL MANAGEMENT REPORT – MAY 2006

Ian Clayton : 18/25/2-04: #1188437_v1

RECOMMENDATION:

FREEBODY / LINDSAY

That the report be received and noted.

INTRODUCTION:

Under the adopted Integrated Environmental Management System, a monthly Environmental Management report is to be prepared for the consideration of Council.

BACKGROUND:

During the month of May no incidents were recorded and reported. Notification was issued to the Environmental Protection Agency (EPA) for the operation of one (1) wet weather overflow as a result of heavy seasonal rainfall.

Wet Weather Overflow Operation

<table>
<thead>
<tr>
<th>O/Flow</th>
<th>Date Opened</th>
<th>Time Opened</th>
<th>Date Closed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peevers Road</td>
<td>11/05/2006</td>
<td>22:15 hrs</td>
<td>21/05/2006</td>
</tr>
</tbody>
</table>

Continuing rainfall maintained high flow conditions resulting in intermittent operation of this overflow. Analysis of samples collected (15/05/2006) from this overflow indicated a diluted effluent as seen from the following table.
<table>
<thead>
<tr>
<th>Parameter</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>BOD&lt;sub&gt;5&lt;/sub&gt;</td>
<td>17 mg/l</td>
</tr>
<tr>
<td>pH</td>
<td>6.3</td>
</tr>
<tr>
<td>Suspended Solids</td>
<td>17 mg/l</td>
</tr>
</tbody>
</table>

**COMMENT:**

Cairns Water have a number of engineered overflows which have been designed to limit the risk of sewage overflowing into private residences, during periods of high flow. By-pass of sewage treatment systems occurs automatically once hydraulic capacity is exceeded. The engineered capacity of the systems is notionally three times the average dry weather flow.

**CONSIDERATIONS:**

Corporate and Operational Plans:

A related Key Goal from the Corporate Plan includes:

6. Health Safety and Community Development

A specific outcome identified is:

6.5 Healthier and safer Place for residents and Visitors

Cairns Water’s Operational Plan for Wastewater Services has as its aim:

*To minimise the operational costs of sewerage service delivery while maintaining agreed service standards.*

Statutory:

Compliance with Environmental Protection Agency (EPA) licence no. 5010000159 and the Environment Protection Act 1994.

Financial and Risk:

Should these overflows be operated in a non-flood situation, there is a risk that the EPA may prosecute the Council. The maximum value in the case of a successful prosecution is dependent upon the actual or perceived environmental harm.

Sustainability:

N/A

**CONSULTATION:**

Sewer overflows are recognised by the Environmental Protection Agency as a means of protecting the public during periods of high sewage flow.
CONCLUSION:

Whilst not the ideal situation, sewer overflows in tropical locations will continue to be utilised to reduce the risk of sewage backing up into private residences. Flooding and ground water infiltration can greatly increase the volume of sewage within the reticulation system.

carried

7. WATER - SITUATION REPORT

Bruce Gardiner:JEA : 24/1/5-23: #1147692 v4

RECOMMENDATION:

FREEBODY / PEZZUTTI

That the report be received and noted.

Please note that water quality results are included in the monthly report, Operations - Water Services Section.

COPPERLODE FALLS DAM

Copperlode Falls Dam was 100% full to the end of May 2006.
The following graph shows the spillway level from 2005 to date.

The Southern Oscillation Index, updated on 2 June 2006 from the Bureau of Meteorology, was negative.
BEHANA CREEK

Behana Creek at the end of May 2006 had a creek flow at the intake weir of approximately greater than 85 ML.

CONSUMPTION AND RAINFALL:

Rainfall recorded at the Freshwater Creek Plant for May 2006 was 66.00mm.

The graph below shows water production versus rainfall from January 2005 to date.

The following graph shows the volume of water extracted from Behana Creek and supplied from Freshwater Treatment Plant.
carried

8. CAIRNS WATER MONTHLY REPORT FOR MAY 2006

Bruce Gardiner : 1/3/38-01: #1036211 v6

RECOMMENDATION:

LINDSAY / FREEBODY

That the monthly report from Cairns Water for the month of May 2006 be received and noted.

carried
CLOSED SESSION

LINDSAY / JAMES

COUNCIL RESOLVE INTO CLOSED SESSION TO DISCUSS THE FOLLOWING MATTERS AS LISTED IN THE AGENDA:

1. CONTRACTURAL MATTER - CONTRACT NO. 75230
   - BIOSOLIDS REMOVAL FROM CAIRNS WASTEWATER TREATMENT PLANTS 1
   T.ROOKS: 24/19/195-01: #1184501

2. CONTRACTURAL MATTER - CONTRACT NO. 75225
   - INSTALLATION OF SMITHFIELD SEWER RISING MAIN 10
   T.ROOKS: 24/22/79-01: #1186003

3. CONTRACTURAL MATTER - CONTRACT NO. 75155
   - CONSTRUCTION AND OPERATION OF INERT WASTE TRANSFER STATION (IWTF) AND WASTE RECYCLING AND REPROCESSING FACILITY (WRRF) 16
   F.HUGHES: 24/19/146-01: #1191575
carried

OUT OF CLOSED SESSION

LINDSAY / JAMES

COUNCIL RESOLVE TO MOVE OUT OF CLOSED SESSION
carried
RESOLUTIONS ARISING FROM THE MATTERS DISCUSSED IN CLOSED SESSION

1. CONTRACTURAL MATTER - CONTRACT NO. 75230 - BIOSOLIDS REMOVAL FROM CAIRNS WASTEWATER TREATMENT PLANTS
   T.ROOKS: 24/19/195-01: #1184501

   RECOMMENDATION:
   PEZZUTTI / FREEBODY
   That Contract No. 75230 be awarded to Australian Pollution Engineering Pty. Ltd. ABN 87 050 031 313 for Option 3 with a total estimated cost over the 2-year life of $4,554,440 with a 1 year option with estimated costs of $1,206,520.
   Cost breakdown for the 2 year contract are as follows:
   Part A - For the Schedule of Rates tendered estimated value $1,177,400
   Part B - For the purchase of four (4) silos at $964,000
   Part C - For the Schedule of Rates tendered estimated value $2,413,040
   carried

2. CONTRACTURAL MATTER - CONTRACT NO. 75225 - INSTALLATION OF SMITHFIELD SEWER RISING MAIN
   T.ROOKS: 24/22/79-01: #1186003

   RECOMMENDATION:
   SHEPPARD / LINDSAY
   That Contract No. 75225 for the Installation of the Smithfield Sewer Rising Main be awarded to the CEC Group ABN. 17 060 771 280 for $823,258 (Ex. GST).
   carried
3. **CONTRACTURAL MATTER - CONTRACT NO. 75155**
   - CONSTRUCTION AND OPERATION OF INERT WASTE TRANSFER STATION (IWTF) AND WASTE RECYCLING AND REPROCESSING FACILITY (WRRF)

F. HUGHES: 24/19/146-01: #1191575

**RECOMMENDATION:**

FREEBODY / PEZZUTTI

That the schedule of rates under Contract No. 75155 Construction and Operation of Inert Waste Transfer Station (IWTF) and Waste Recycling and Reprocessing Facility (WRRF) of $70 per tonne at Portsmith and $62 per tonne at Smithfield be agreed to continue up to 31 July 2006.

*carried*

THE MEETING CLOSED AT 5.00 PM