2019/20 – 2023/24 ROADS TO RECOVERY (R2R) PROPOSED PROGRAM

Natasha Murray | 17/9/5-07 | #6169090

RECOMMENDATION:

That Council:

1. Approves the allocation of Council’s $9.15 Million Federal Government Road to Recovery (R2R) funding 2019/20 – 2023/24 to the following projects:

   a. Swallow Street Upgrade ($500,000)
   b. Balaclava Road Upgrade ($800,000)
   c. Cairns Road Upgrade ($530,000)
   d. Dexters Bridge Renewal ($1,300,000)
   e. Kewarra Beach to Trinity Beach Link Road ($3,120,000)
   f. Windarra Street/ Rigg Street Signalisation ($1,500,000)
   g. Rice’s Gully Bridge Duplication ($1,400,000).

2. Delegates authority to the Chief Executive Officer in accordance with the Local Government Act 2009 to negotiate, finalise and execute any and all matters associated with the funding application subject to Council’s procurement practices and policies.

EXECUTIVE SUMMARY:

The Roads to Recovery (R2R) funding program is a Federal Government initiative to support safety, economic and social outcomes in communities. The program has a strong focus on improving road safety outcomes through the undertaking of local road upgrades.

Cairns Regional Council has been allocated $9.15 Million for the period 2019/20 – 2023/24 to implement road improvement projects in the region, based on local priorities.

Projects that meet eligibility of the R2R program have been nominated for R2R funding consideration by Council. The R2R funds have been distributed amongst these projects to either fully or partly fund their implementation. As part of the proposed program, four of the seven projects will be brought forward from their current delivery year proposed in the CAPEX program. All projects are currently identified on the Council’s CAPEX program, with the exception of Cairns Road Upgrade which is an emergent 2019/20 project which is proposed to be fully funded through the R2R program.
BACKGROUND:

In December 2018, the Federal Government announced the continuation of the Roads to Recovery Program (R2R) for a further five years. At this time Council was provided with an allocation of $7,322,071 for the life of the program. In March 2019, a further announcement was made by the Federal Government advising that the 2019/20 budget for a suite of Road Safety programs had been significantly increased. This resulted in Council’s R2R allocation being increased to $9,152,589 for expenditure over the 5-year period, with a requirement for $1,830,518 to be spent in year 1 (2019/20). Confirmation of the funding from the Minister for Infrastructure, Transport and Regional Development is in Attachment 1 of this report.

In order to be considered under the program, projects need to deliver the best possible outcomes in the area of road safety, by improving the quality of the road asset giving consideration to all road users (vehicles, pedestrians and cyclists).

Eligible projects would include:

- Construction and/or maintenance of a road (including traffic signals/control equipment and street lighting)
- Bridges and tunnels, including pedestrian bridges for crossing roads
- Bicycle paths which are associated with a road.

The guideline allows funding to be combined with other funding sources such as other grants or Council revenue. It also stipulates a funding matching requirement that for each financial year in which an LGA receives, spends or retains a R2R payment, it must spend funds from its own source equal to or greater than the R2R funds on construction and/or maintenance of roads.

COMMENT:

Projects nominated for this program, with the exception of one emergent project, are recognised as priority road improvement projects under Council’s CAPEX program. There are two projects that are fully funded by R2R. The remainder will be a combination of R2R and another funding source.

The proposed breakdown of R2R funding over the 5-year period is indicated in the table below. It should be noted that where a project extends over two financial years the funding has been indicated below for the proposed year of completion.

<table>
<thead>
<tr>
<th>YEAR</th>
<th>R2R Funding Distribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019/20</td>
<td>$1.83M</td>
</tr>
<tr>
<td>2020/21</td>
<td>$1.3M</td>
</tr>
<tr>
<td>2021/22</td>
<td>$3.12M</td>
</tr>
<tr>
<td>2022/23</td>
<td>$2.9M</td>
</tr>
<tr>
<td>2023/24</td>
<td>-</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$9.15M</td>
</tr>
</tbody>
</table>
The below table details the proposed funding distribution amongst projects and the proposed year of delivery in comparison to the existing year of funding in the CAPEX program. As part of the R2R program, it is proposed to bring four of these projects forward in the current CAPEX program.

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>COST</th>
<th>R2R</th>
<th>CURRENT</th>
<th>PROPOSED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Swallow St Upgrade</td>
<td>$1M</td>
<td>$0.5M</td>
<td>2019/20</td>
<td>2019/20</td>
</tr>
<tr>
<td>Balaclava Rd Upgrade</td>
<td>$1.55M</td>
<td>$0.8M</td>
<td>2019/20</td>
<td>2019/20</td>
</tr>
<tr>
<td>Cairns Rd Upgrade</td>
<td>$0.53M</td>
<td>$0.53M</td>
<td>New</td>
<td>2019/20</td>
</tr>
<tr>
<td>Dexters Bridge</td>
<td>$2M</td>
<td>$1.3M</td>
<td>2022/23 &amp; 2023/24</td>
<td>2020/21</td>
</tr>
<tr>
<td>Kewarra to Trinity Link</td>
<td>$3.12M</td>
<td>$3.12M</td>
<td>2023/24 &amp; 2024/25</td>
<td>2021/22</td>
</tr>
<tr>
<td>Windarra St/ Rigg St Signals</td>
<td>$2M</td>
<td>$1.5M</td>
<td>2025/26</td>
<td>2022/23</td>
</tr>
<tr>
<td>Rices Gully Bridge Upgrade</td>
<td>$4.7M</td>
<td>$1.4M</td>
<td>2022/23 &amp; 2023/24</td>
<td>2021/22 &amp; 2022/23</td>
</tr>
</tbody>
</table>

Further detail on the individual project have been provided in Attachment 2 of this report.

**OPTIONS:**

Council can approve the list of projects recommended or alternatively substitute different projects for the R2R Program.

**CONSIDERATIONS:**

**Risk Management:**

Given that future year project estimates are only preliminary at this stage, there is a risk of cost overruns. This is particularly the case with the larger scale, high complexity projects. In order to mitigate this risk, it is proposed to complete detailed design for the nominated projects at least a year prior to the proposed delivery year. This will result in higher accuracy estimates for CAPEX program submissions for the proposed year of delivery.
Council Finance and the Local Economy

Under the Roads to Recovery Program, Council has an obligation to maintain its current levels of funding for road construction and maintenance. For some of the nominated projects, the R2R allocation is proposed to cover only part of the cost of the overall project. In all cases, except one which will be fully funded through the R2R program, the nominated projects have already been allocated funds in Council’s Capital Works program.

Where possible the use of local products and services will boost the local economy and improve transport infrastructure.

Community and Cultural Heritage

All projects nominated under the R2R program will improve the safety, efficiency and amenity of Council’s road network.

Natural environment

All projects have minimal impact on the natural environment. Council and legislative environmental protection practices will be adhered to during the construction phase of all projects.

Corporate and Operational Plans:

The project supports the Liveability goal of the Corporate Plan.

Statutory:

The projects will be delivered in accordance with guidelines of the grant program, as dictated by the federal government. Any necessary permits required for the works will be obtained.

CONSULTATION:

Consultation in the selection of the nominated projects has occurred within the Infrastructure Services team, the Executive Team and a Council workshop.

Individual project public consultation will be undertaken in the year of delivery of the project.

ATTACHMENTS:

Attachment 1: Nominated Project Details (extract from #6151014)
Helius Visser
Manager Infrastructure Planning

Bruce Gardiner
General Manager Infrastructure Services
ATTACHMENT 1: Nominated project details (extract from #6151014)

**Swallow Street Upgrade**
Replacement of culvert, road widening & footpath

Cost = $1M
- Proposed R2R = $500K
- Council Revenue = $500K
- 2019/20 approved CAPEX project

**Balaclava Road Upgrade**
K&C renewal, footpath, tree planting, pavement renewal and street lighting

Cost = $1.55M
- Proposed R2R = $800K
- W4Q = $750K
- 2019/20 approved CAPEX project
Cairns Road Upgrade

Draper Rd to George St

- Improved safety for vehicles, cyclists and pedestrians
- Road widening & footpaths

Cost = $530K
Proposed R2R = $530K
Proposed construction in 2019/20

New project - currently no CAPEX allocation

Dexters Bridge Gordonvale

Full bridge replacement, widening and increased flood immunity
Currently in very poor condition & rapidly deteriorating

Cost = $2M
Proposed R2R = $1.3M
Grant funding = $700K
Current allocation in 2022/23 & 2023/24 CAPEX

Bring forward to 2020/21
Kewarra to Trinity Beach
New road connection

- Trunk road connection identified in Council’s LGIP
- Link will provide connectivity between suburbs for vehicles, cyclists, pedestrians and public transport

Cost = $3.12M
Proposed R2R = $3.12M
Current allocation in 2023/24 & 2024/25 CAPEX
Bring forward to 2021/22

Windarra St/ Rigg St
Traffic Signals

- Trunk intersection upgrade identified in Council’s LGIP
- Improved safety and capacity
- Facilitates new access for Woree Sporting Precinct

Cost = $2M
Proposed R2R = $1.5M
Council Revenue = $500K (nominated for School Transport Infrastructure Program grant)
Current allocation in 2025/26 CAPEX Program
Bring forward to 2022/23
Rice’s Gully Bridge Duplication

- Proposed trunk bridge upgrade identified in Council’s LGIP
- Squeeze point between Michaelangelo Drive & future Jungara Road signalised intersections (2022/23)

Cost = $4.7M
Proposed R2R = $1.4M
Council Revenue = $3.3M
Current allocation in 2022/23 & 23/24 CAPEX Program

Bring forward to 2021/22 & 22/23