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**PDG-40371-6 MARINE LANDING FACILITY UPGRADE – MACLEAY ISLAND**

**Objective Reference:** A2375200

**Attachments:** [DTMR Deed of Agreement](#)  
[Analysis of Legal Risks](#)  
[SEQ Macleay Island jetty offset proposal](#)

**Authorising Officer:** Peter Best  
Infrastructure & Operations

**Responsible Officer:** Nigel Carroll  
Acting Group Manager Project Delivery Group

**Report Author:** Nivedita Patel  
Senior Tender & Contract Officer

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**PURPOSE**

The purpose of this report is to seek Council resolution for the provision of additional budget and appropriate delegation in order to enable the Project Delivery Group to award a contract and proceed with construction and delivery of works along Russell Terrace at Macleay Island.

Works under this contract will include construction of a new recreational boat ramp, queuing beach and stairs, extension of rock armour sea wall, asbestos capping of land, existing carpark reconfiguration, new carpark construction and all associated electrical and stormwater management.

The proposed contract value of up to [REDACTED] excluding GST ([REDACTED] including GST) is based on the tendered lump sum and provisional items.

**BACKGROUND**

Project Delivery Group invited tenders for this project in accordance with section 228 Tender Process of the *Local Government Regulation 2012*, and Council's Corporate Policy POL-3043 and associated guideline.

The tender closed on 2 March 2017. Seven tenders were received and evaluated against the tender evaluation plan and evaluation criteria. Based on the evaluation, the top three tenderers were shortlisted and negotiations were undertaken with the first shortlisted tenderer being [REDACTED]

As a result of these negotiations, it is recommended that Council accept the tender from [REDACTED] and enter into a contract up to the value of [REDACTED] excluding GST ([REDACTED] including GST).

**ISSUES**Environmental

The area set aside for the construction of the new carpark and rock armour seawall is currently fenced off and under restrictions imposed by the possible presence of asbestos material.

An asbestos management plan has been in place for this area for a number of years that requires regular inspections and reporting is undertaken. The capping of these areas will remove these requirements as well as mitigate any associated possible health risks.

#### Department of Transport & Main Roads (DTMR) funding

The new boat ramp portion of the project was always to be fully funded by DTMR under a Deed of Agreement dating back to 2009. In 2011, the original 2009 funding agreement with DTMR for the design and construction of a new 2-lane boat ramp was varied to keep up with market rates.

In December 2016, scope of works changes, comprising of an additional boat ramp lane and toe plank sizing, were requested by DTMR resulting in an estimated increase to the overall cost of the project in the order of [REDACTED] excluding GST ([REDACTED] including GST). These additional works will be treated as a variation to the contract once the contract has been awarded and final design amendments have been completed. It is important to note that all of these boat ramp works will be funded by DTMR under a new Deed of Agreement (refer to Attachment 1).

#### Council budget

Budget shortfall for this project has been highlighted over a number of years but, given the unusually long delay in bringing this project to delivery stage, it was not considered practical to alter the budget ask until a more definite project cost could be established.

A capital budget increase of [REDACTED] excluding GST is currently required from Council to enable a contract to be awarded and construction to proceed. This will be offset through adjustments to the 2017/2018 and 2018/2019 Capital Works Program and will be formalised through the budget review process.

## **STRATEGIC IMPLICATIONS**

### **Legislative Requirements**

The *Local Government Act 2009* establishes clear standards for financial management and the changes outlined in this report do not put Council at risk of non-compliance.

### **Risk Management**

Consideration must be made to this project being ongoing since 2009. Non-delivery or deferral of this project would put Council at risk of:

- losing substantial DTMR funding;
- writing off of all costs incurred to date, being [REDACTED] and comprising external design, cultural heritage, on-site surveys for electrical cable locations, environmental studies, and permit applications; and
- receiving increased negative publicity from the Southern Moreton Bay Island community.

#### Contractor risk

All construction risks identified through the design process have been minimised by consulting relevant stakeholders from within Council, Energex and other advisory agencies.

proposed construction methodology, site-based management plans, traffic management plans and environmental management plans all addressed potential risks including asbestos management previously identified by Council officers.

The corporate scorecard “Detailed Financial & Performance Assessment Report” indicated that [REDACTED] has “satisfactory financial capacity to undertake the contract in question”.

The evaluation committee agreed sufficient risk mitigation was in place with two bank cheques/guarantees and a full-time on-site superintendent validating payment claims.

#### Legal risk

The primary legal risk associated with the project is the presence of an Energex cable within and adjacent to the project site. This cable is the only supply of electricity to Macleay Island and any damage caused as a result of the project is likely to result in liability to Council.

Attachment 2, Analysis of Legal Risks Associated with Energex Cable at Macleay Island, summarises Council’s risk of liability and measures taken to mitigate such risk.

#### **Financial**

Current approved budget allocation for this project is as follows:

| Project No.  | Project name   | 2017/2018  |
|--------------|--|------------|
| 40371        | Russell Tce sea wall and asbestos capping  | [REDACTED] |
| 41900        | Macleay Island ramp carpark  |            |
| 70130        | Macleay Island boat ramp <i>(DTMR funding to be recognised at 1<sup>st</sup> Budget Review in 2017/2018)</i> |            |
| <b>Total</b> |  |            |

A summary of the anticipated all up project costs are as follows:

| Item  | Cost<br>(excl. GST) | Order amount<br>(excl. GST) |
|---|---------------------|-----------------------------|
| Contract value  | [REDACTED]          | [REDACTED]                  |
| DTMR variation to tendered works  |                     |                             |
| Contingency 15% <i>(of contract value)</i>                              |                     |                             |
| <b>RCC order amount (contract)</b>                                      |                     | [REDACTED]                  |
| <b>Plus additional items</b>  |                     |                             |
| External superintendent (12-month term)                                 | [REDACTED]          | [REDACTED]                  |
| SEQ catchments offset requirement* <i>(refer environmental section)</i> |                     |                             |
| Administration and Qleave levy  |                     |                             |
| <b>Additional items cost</b>  |                     | [REDACTED]                  |
| <b>Total anticipated project cost</b>                                   |                     | [REDACTED]                  |

The proposed contract value of [redacted] excluding GST [redacted] including GST) is based on the tendered lump sum and provisional items. Further to this, DTMR requested some additional works (additional boat ramp width) to be included (post the tender closing date which, when added to a contingency amount of 15%, will require Council’s order to be raised for the amount of [redacted] (excluding GST).

Additional items required to deliver this project bring the total anticipated project cost value up to [redacted] (excluding GST). This results in an allocated capital budget deficit of [redacted] (excluding GST).

The table below summarises the status of the tender evaluation for the top three shortlisted tenderers:

| Rank | Rank shortlisted tenderer | Overall score# | Tendered sum* |
|------|---------------------------|----------------|---------------|
| 1    | [redacted]                | [redacted]     | [redacted]    |
| 2    | [redacted]                | [redacted]     | [redacted]    |
| 3    | [redacted]                | [redacted]     | [redacted]    |

\*including provisional items and excluding GST. #All evaluation criteria

**Environmental**

This pro-active program will help to manage the effects of the coastal processes (erosion) that would threaten Council property and infrastructure.

Since the commencement of original design work on this project in 2010, the Queensland Government introduced the *Environmental Offsets Act 2014*, in order to consolidate the regulatory framework dealing with environmental offsets. Council completed its due diligence under the Act, and mitigated the development impacts and therefore the proposal deals with the offset requirements for 0.6ha of marine plants, 0.1ha of marine park and 0.425ha of endangered RE 12.5.2 as residual impacts requiring offsets. Council has negotiated projects offset with SEQ catchments to compensate for the removal of vegetation required as part of these works at a cost of [redacted] excluding GST ([redacted] including GST). Please refer to Attachment 3 SEQ Catchments for further detailed information.

The site also requires asbestos capping to mitigate any associated possible health risks. These works form part of this project.

**Social**

This project will have a positive social impact through improved access to the site, safer and additional carpark area which more than doubles in size, additional recreational boat ramp facility and the separation of barge and recreational boat traffic.

Any negative social impact during construction works (such as parking) has already being addressed by Council through negotiations with [redacted]. The construction methodology proposed also considers and minimises disruptions for all facility users and maintains existing carparking numbers as a minimum for the duration of the project.

**Alignment with Council’s Policy and Plans**

Works under this project and recommendations in this report are supported by Council’s Corporate Plan 2015-2020 vision outcome areas:

1. Healthy natural environment;
2. Green living;
3. Embracing the bay;
4. Wise planning and design; and
5. Supportive and vibrant economy.

## CONSULTATION

Consultation has been undertaken with the CEO, Project Board comprising General Manager Infrastructure & Operations, Acting Group Manager City Infrastructure and Legal Services Senior Solicitor. All are in agreement with the recommendations.

## OPTIONS

### Option One

That Council resolves as follows:

1. To review all funding options and adjust capital works budgets by an additional capital budget amount of up to [REDACTED] excluding GST ([REDACTED] including GST) for the 2017/2018 and 2018/2019 financial years in order to award a construction contract under PDG-40371-6;
2. To accept the tender PDG-40371-6 from, and enter into a contract with the recommended tenderer for the value up to [REDACTED] excluding GST ([REDACTED] including GST);
3. To approve up to an additional 15% variation to the contract amount described in the contract documentation, which may bring the total contract amount to [REDACTED] excluding GST ([REDACTED] including GST);
4. To approve up to an additional [REDACTED] excluding GST ([REDACTED] including GST) for the DTMR requested additional works that will be wholly funded by DTMR through a deed of agreement;
5. To delegate authority to the Chief Executive Officer, under s.257(1)(b) of the *Local Government Act 2009*, to negotiate, make, vary and discharge a contract with [REDACTED] under tender no. PDG-40371-6 and sign all relevant documentation;
6. That this report remain confidential until the contract for PDG-40371-6 has been awarded and signed by the successful contractor; and
7. That the attachments to this report remain confidential until approval has been granted by General Counsel to release such attachments.

### Option Two

That Council resolves as follows:

1. To shut down Tender No. PDG-40371-6, re-allocate existing budgets to future years, and source additional funds allowing for percentage increase in construction and project management costs;
2. To renegotiate DTMR funding agreement for the construction of the boat ramp allowing for percentage increase in construction and project management costs or return the full value of the deed of agreement; and

3. To provide further direction.

#### **OFFICER'S RECOMMENDATION**

**That Council resolves as follows:**

1. To review all funding options for this project for the 2017/2018 financial year and adjust the capital works budget, in line with Option One of this report, to enable a construction contract to be awarded under PDG-40371-6;
2. To delegate authority to the Chief Executive Officer, under s.257(1)(b) of the *Local Government Act 2009* to negotiate, make, vary and discharge a contract with the successful tenderer under tender no. PDG-40371-6 and sign all relevant documentation;
3. That this report and attachments remain confidential until a contract for PDG-40371-6 has been awarded and signed by the successful contractor; and
4. That the attachments to this report remain confidential until approval has been granted by General Counsel to release such attachments.

**DEED OF AGREEMENT**

between

**STATE OF QUEENSLAND**

**acting through the Department of Transport and Main Roads**

and

**Redland City Council**

about

**Macleay Island boat launching facility**

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## TABLE OF CONTENTS

|  |    |
|--|----|
| 1. REPLACEMENT OF ALL PREVIOUS DEEDS, VARIATIONS, AND SCHEDULES..... | 3  |
| 2. RECITALS.....   | 3  |
| THE PARTIES AGREE AS FOLLOWS: .....                                  | 4  |
| 3. INTERPRETATION.....   | 4  |
| 4. TERM.....   | 5  |
| 5. FUNDING AND PROJECT EXPENDITURE.....                              | 5  |
| 6. GENERAL PROVISIONS .....  | 6  |
| 7. OWNERSHIP AND MANAGEMENT .....                                    | 7  |
| 8. ACKNOWLEDGEMENT .....   | 7  |
| 9. GST.....  | 8  |
| 10. DISPUTE RESOLUTION.....  | 8  |
| 11. TERMINATION .....  | 8  |
| 12. INDEMNITY AND RELEASE.....                                       | 8  |
| 13. VARIATION AND WAIVER .....                                       | 8  |
| 14. LEGAL COSTS .....  | 9  |
| 15. COUNTERPARTS.....  | 9  |
| 16. ENTIRETY OF AGREEMENT .....                                      | 9  |
| EXECUTED AS A DEED.....  | 10 |



## DEED OF AGREEMENT

between: **THE STATE OF QUEENSLAND** acting through the Department of Transport and Main Roads of Level 17, 313 Adelaide Street Brisbane Qld

[State]

and: **REDLAND CITY COUNCIL** a local government established under the Local Government Act 1993, having its public office at the corner of Bloomfield and Middle Streets Cleveland Qld

[Council]

### 1. REPLACEMENT OF ALL PREVIOUS DEEDS, VARIATIONS, AND SCHEDULES.

This deed of agreement replaces all previous deeds, agreements, variations and variation to schedules between **Council** and the **State** about the Macleay Island boat launching facility.

In particular, this deed replaces:

- the original deed of agreement executed on 05 June 2009
- the schedule of variations executed on 27 May 2011, 22 October 2013, and 23 November 2015 respectively.

### 2. RECITALS

- 2.1 **Council** and the **State** wish to build a new boat launching facility at Macleay Island consisting of a two-lane boat ramp plus floating walkway. The capacity of the new facility is desired to be two lanes for launching and recovery. A third lane is needed, solely for the purposes of supporting a floating walkway, which will act as a wave-break and additional queuing facility to the proposed beach.
- 2.2 The **State** wishes to provide **Council** with funding and **Council** wishes to receive funding for the ramp stage of the boat launching facility – this being for three lanes – two boat launching lanes (two-lane boat ramp) and one additional lane to support a future floating walkway.
- 2.3 The floating walkway (piles and floating modules) stage of the boat launching facility will need to be deferred for navigational and other reasons until ferry operations are moved eastward to a future new ferry terminal.
- 2.4 The purpose of the new boat launching facility is for the benefit of the recreational boating public to assist with launching and retrieving trailable vessels, and to ease congestion and increase safety by removing recreational boat launching and retrieving from the existing **Council**-owned mixed-use commercial/recreational barge/boat ramp facility. The eastern side of the floating walkway will act as a wave-break and will, at **Council** sole discretion, be available for temporary securing of dinghies and small tenders.

THE PARTIES AGREE AS FOLLOWS:

3. INTERPRETATION

- 3.1 In this deed, unless the context otherwise requires or the contrary intention appears, the following terms shall have the meanings respectively assigned to them –

“**Commencement Date**” means the date on which the last **Party** to this **Deed** executes this **Deed**.

“**Deed**” means this document.

“**Design**” means the investigations required for the design, the works, the approved drawings, the specifications, the **Statutory Approvals** for the proposed works, samples, models, patterns, and the like.

“**Expiry Date**” means 31 December 2018, unless otherwise extended through written agreement between the **Parties**.

“**Facility**” means the completed boat ramp of three lanes width (two-lane capacity boat ramp plus third lane to support future floating walkway) at Macleay Island, noting that the eastern of the three lanes is solely for the purposes of installation of a future floating walkway.

“**Final Completion**” of the in-water infrastructure means completion under this **Deed** when the **State** and **Council** have inspected the **Project** and found it to be satisfactory and defects have been rectified, and as-constructed drawings have been shared between the **Parties**.

“**Funds**” means the supply of funding by the **State** to **Council** to undertake and complete the **Project**.

“**Parties**” means the **State** and **Council**, their employees, duly authorised agents, successors and assigns.

“**Practical Completion**” of the in-water infrastructure means completion under this **Deed** when the **State** and **Council** have inspected the **Project** and found it to be satisfactory and certified so, and the works are complete except for minor defects which do not prevent the in-water infrastructure from being used for its intended purposes.

“**Project**” means the **Design**, installation, and commissioning into service, of a ramp of three lanes width (two-lane capacity boat ramp plus third lane to support future floating walkway) at Macleay Island.

“**Statutory Approvals**” include acts, ordinances, regulations, by-laws, local laws, orders, awards and proclamations of the jurisdiction where the **Project** or a particular part of it will be carried out, certificates, licences, consents, permits, approvals and requirements of organisations having jurisdiction in connection with the carrying out of the **Project**, and fees and charges payable in connection with the foregoing.

- 3.2 In this **Deed**:

- References to a person include an individual, firm or a body corporate or unincorporated and other entities recognised by law.
- Words in the singular include the plural and words in the plural include the singular, according to the requirements of the context.

- Clause headings and subclause headings will not form part of, nor be used in the interpretation of, this **Deed**.

#### 4. TERM

- 4.1 The **Deed** will commence on the **Commencement Date** and will expire on the **Expiry Date** unless varied, terminated or cancelled pursuant to this **Deed**.
- 4.2 If work on the **Project** is delayed for any reason, **Council** will notify the **State** indicating reasons for the delay, actions to resolve the delay, the anticipated time of recommencement of work and revised schedule for **Project** completion.

#### 5. FUNDING AND PROJECT EXPENDITURE

- 5.1 The **Parties** agree that the **State** will provide the **Funds** and **Council** will be the recipient of the **Funds**, for the purpose of financially assisting **Council** with the **Project**.
- 5.2 The **Parties** agree that the estimated cost for the **Project** is [REDACTED] made up of:
- [REDACTED] for initial investigation and design work paid by the **State** to **Council** in 2008 and 2009 – these funds being spent prior to commencement of this **Deed**
  - [REDACTED] for design since 2009
  - [REDACTED] for approvals
  - [REDACTED] for 'permissible change' amended design work and amended approvals, consequent to inclusion of a third lane in the design for a future floating walkway
  - [REDACTED] for lighting design
  - [REDACTED] for construction of three lanes (two-lane boat ramp plus lane for floating walkway).
- 5.3 The **Parties** agree that the **State** has provided, through to the **Commencement Date**, **Funds** to **Council** in the amount of [REDACTED]. This amount was paid through:
- [REDACTED]
  - [REDACTED]
  - [REDACTED]
- 5.4 The **Parties** agree that the **State** will provide the remaining **Funds** of [REDACTED] to **Council** by way of progressive instalments:
- [REDACTED] for design/approvals plus 50% of the estimate of [REDACTED] for lanes construction) after the **Commencement Date**
  - [REDACTED] (25% of the estimate of [REDACTED] for lanes construction) on commencement of construction of the **Project**
  - [REDACTED] (15% of the estimate of [REDACTED] for lane construction) after **Practical Completion** of the **Project**
  - the remaining balance including any adjustments, agreed contract variations, and contingency after **Final Completion** of the **Project**.

- 5.5 The **Parties** agree to a [REDACTED] contingency for any variation between estimate and contract sums and to cover required and agreed variations during the construction contract, with this portion paid after **Final Completion**, unless otherwise agreed by formal variation to this **Deed**.
- 5.6 Should the actual total cost of the **Project** be less than the **Funds** specified in this **Deed**, or where works have ceased and the **Project** will not be completed, residual **Funds** will be returned to the **State**.
- 5.7 **Council** will utilise the **Funds** only for the **Project**.
- 5.8 **Council** will keep and maintain such records and accounts (including receipts and invoices) in accordance with accounting principles generally applied in commercial practice as required by law and as necessary to provide a record and explanation of:
- expenditure of the **Funds** for the approved purpose
  - other expenditure on the **Project** (including any in-kind contributions)
  - implementation and progress of the **Project**.
- 5.9 The **State** may require **Council** to provide documents deemed necessary to demonstrate the appropriate management and use of the **Funds**.
- 5.10 If **Council** expends the **Funds** for a purpose different to the **Project** without the prior written consent of the **State**, or fails to expend the **Funds** by the **Expiry Date** and does not act as provided in this **Deed**, or abandons the **Project**, or fails to complete the **Project** due to frustration, then **Council** will be required to repay any unspent part of the **Funds** to the **State** within three months after the termination of this **Deed** and the **State** will be discharged from all of its contractual obligations under this **Deed** and may institute proceedings to recover the monies so paid as a liquidated debt.
- 5.11 The amount of any **Funds** to be repaid under the preceding subclause will be determined having regard to the expenditure **Council** has incurred on account of the **Project** before the abandonment or non-completion and the situation of partial completion of the **Project**.

## 6. GENERAL PROVISIONS

- 6.1 The **Parties** agree that this **Deed** and the agreed works are subject to Council obtaining **Statutory Approvals**, and in particular, approvals for the construction of a third boat ramp lane and future floating walkway. The **Parties** agree that in the event satisfactory approvals are not obtained for the agreed works, they will negotiate a variation to this **Deed**.
- 6.2 The **Parties** agree that the boat ramp works are one of several works stages to be undertaken at this location and the works for the boat ramp cannot proceed prior to partial completion of the new carpark and reclamation of the necessary foreshore land.
- 6.3 The **Parties** agree that a floating walkway will be installed in the future on the eastern of the three boat ramp lanes, that the estimate including contingency for installation of the floating walkway is [REDACTED] that construction of and funding for the floating walking is not part of the **Project**, and that they will enter into a new and separate deed of agreement at a future time for the floating walkway. The **Parties** agree that the future floating walkway will not be installed until ferry operations shift to a new ferry terminal.

- 6.4 The provision or receipt of the **Funds** does not relieve **Council** of complying with regulatory requirements and does not imply that any necessary licences or approvals required by any Acts, Laws or Regulations will be granted, or that agencies will make favourable policy decisions.
- 6.5 **Council** will assume full legal responsibility for the **Project** and agrees that:
- The design, construction, installation and commissioning of the **Project** will meet, comply with, or exceed the **State's** minimum standards for public recreational boating infrastructure.
  - The **State** may inspect the site on which the **Project** is to be constructed prior to, or during construction and/or after completion of the works.
  - The **Project** will be carried out in a manner that complies with relevant Australian Standards for the construction of marine facilities and applicable state and Commonwealth laws.
  - During the **Project** and after the **Practical** and **Final Completion** of the **Project**, **Council** will take all reasonable steps to: protect against loss or damage to property and the death or injury to any person, minimise the hazard and inconvenience to others, and avoid damage to and interruption of the use of any property.

## 7. OWNERSHIP AND MANAGEMENT

### On **Practical Completion**:

- 7.1 The **State** will be the legal owner of the **Facility**.
- 7.2 **Council** will be the manager of the **Facility**, pursuant to the provisions of the *Transport Infrastructure Act 1994* and *Transport Infrastructure (Public Marine Facilities) Regulation 2011*, with the responsibility for the management, control, administration and maintenance of the **Facility** as per the Regulation and the *Terms and Conditions for the Management and Control of a Public Marine Facility* which forms part of the agreement.
- 7.3 For future asset management purposes, the **State**-owned boat ramp will be from the anchor beam down to High Water Mark and beyond down to the toe of the ramp, including ramp shoulders on each side as far up the anchor beam. The manoeuvring area at the top of the ramp, including any reclaimed land and protecting revetments will form part of the land lot owned and controlled by **Council**.

## 8. ACKNOWLEDGEMENT

- 8.1 **Council** will consult with the **State** prior to making any public announcement or advertisement in any medium in relation to this **Deed**.
- 8.2 **Council** is required to acknowledge the contribution of the **State** to the **Project** wherever possible in a form and manner that is satisfactory to the **State**. This may include acknowledgement in publicly made statements, or other documents.
- 8.3 The intellectual property rights embodied in or used in connection with the Department of Transport and Main Roads or Queensland Government name and logo are and will remain the sole property of the **State**.

*Advice on using the Queensland Government logo for the purposes of acknowledgement can be obtained by contacting Department of Transport and Main Roads.*

- 8.4 The intellectual property rights embodied in or used in connection with **Council's** name and logo are and will remain the sole property of **Council**.

## 9. GST

- 9.1 The **Funds** provided by the **State** are 'GST-exclusive' within the meaning of the *A New Tax System (Goods and Services Tax) Act 1999* (Cth).
- 9.2 All amounts in this **Deed** are exclusive of GST and invoices from **Council** to the **State** will be exclusive of GST.

## 10. DISPUTE RESOLUTION

- 10.1 Any dispute arising out of the payment of the **Funds** and this **Deed** will be dealt with initially by direct negotiation between the **Parties**.
- 10.2 If the dispute is not resolved within fifteen business days, the **Parties** will submit the dispute to mediation or some other form of agreed dispute resolution procedure.

## 11. TERMINATION

- 11.1 The **Deed** may be terminated by the **State** if **Council** fails to carry out the **Project** or **Council** otherwise breaches this **Deed**, by providing twenty-eight days written notice to **Council**.
- 11.2 Subject to clause 4, in the event of termination, **Council** will be liable to the **State** for the reimbursement of any unspent balance of **Funds** provided by the **State** under this **Deed**.
- 11.3 Nothing in this **Deed** will render the **State** liable for any consequential losses incurred by **Council** by reason of the termination of this **Deed**.
- 11.4 Termination of the **Deed** will not relieve either **Party** of any obligation under this **Deed** which is expressed to continue after termination or is otherwise required to continue.

## 12. INDEMNITY AND RELEASE

In consideration of the **State** providing the **Funds** to **Council**, **Council** agrees to release and discharge the **State** from any action, proceeding, claim, demand, costs, loss, damages or expenses arising directly or indirectly out of:

- the provision of **Funds** under this **Deed**
- the investigations for, **Design**, construction, installation, and commissioning into service, of the **Project**
- any general or structural maintenance of the **Project** carried out by or on behalf of **Council**
- the management, control and administration of the **Project** by **Council**
- the result of any default, unlawful or negligent act or omission by **Council** in relation to the **Project**
- the failure by **Council** to observe or perform any terms and conditions of this **Deed**.

## 13. VARIATION AND WAIVER

- 13.1 This **Deed** may be varied at any time by a variation, agreement or further **Deed** in writing executed by both **Parties**.

13.2 Excepting price variation from the initial estimate of up to [REDACTED] for contingency and agreed contract variations as provided in this **Deed**, no variation, modification and waiver of provisions of this **Deed** will be of any effect unless it is in writing and signed by the **Parties** and in the case of waiver, by the **Party** giving it.

#### 14. LEGAL COSTS

Each **Party** will bear its own legal costs of, or incidental to, this **Deed**.

#### 15. COUNTERPARTS

This **Deed** may be signed in counterparts with the same effect as if the signatures to each counterpart were on the same instrument.

#### 16. ENTIRETY OF AGREEMENT

The **Parties** agree that this **Deed** constitutes the entirety of their agreement.

EXECUTED AS A DEED

SIGNED for and on behalf of the **STATE OF QUEENSLAND** acting through **Department of Transport and Main Roads**

this 3rd day of MAY 2017

by Paul Stenhouse  
Director (NDRRA, TRSP & Marine Infrastructure)  
Program Management & Delivery  
DEPARTMENT OF TRANSPORT AND MAIN  
ROADS

who is a duly authorised officer in the presence of:

[Redacted signature area]

[signature of witness]

ROGER PRIEST

[print full name of witness]



SIGNED for and on behalf  
of **REDLAND CITY COUNCIL**

by Andrew Peter Chesterman

Chief Executive Officer

(position)

being duly authorised in this behalf,

this 10 day of May 2017

in the presence of:

[Redacted signature area]

[signature of witness]

TINA MARIE ROBINSON

[print full name of witness]



## Introduction

1. This report summarises the primary risks and mitigation measures associated with the construction of a recreational boat ramp in close proximity to an Energex electricity cable on Macleay Island.

## Background

2. Council is proposing to upgrade and extend the existing main public car park and construct a new recreational boat ramp on Macleay Island (**Boat Ramp Project**).
3. Energex owns and operates an electricity cable (**the Electricity Cable**) that runs along the seabed floor between Karragarra and Macleay Islands; these cables are the only supply of electricity to Macleay Island and are located:
  - a. Landward – within the land that is proposed for the Boat Ramp Project; and
  - b. Seaward – adjacent to, and in close proximity with, the new proposed recreational boat ramp.
4. Council has entered into a deed of indemnity with Energex in respect of damage occasioned to the Electricity Cable and any resultant interruption of electricity supply during the course of the Boat Ramp Project (**the Deed**).
5. Council has tendered for the construction of the Boat Ramp Project.

## Summary of Risks

6. The risk of liability arising from damage to the Electricity Cable and any resultant interruption to electricity supply during the Boat Ramp Project ultimately rests with Council.
7. If the Electricity Cable is damaged as a result of the Boat Ramp Project Council is likely to incur liability as a result of the following:
  - a. A statutory obligation to rectify damage to the Electricity Cables pursuant to the *Electricity Act 1994* (Qld) (Electricity Act);
  - b. A contractual obligation to indemnify Energex for loss arising from damage to the Electricity Cable and loss of supply of electricity as a result of Council's negligence; and

- c. Claims by third parties for loss arising as a result of loss of supply of electricity as a result of Council's negligence.

### Summary of Risk Mitigation Measures

8. Council's liability for loss incurred as a result of damage to the Electricity Cable is mitigated by the following measures:
  - a. Council's insurance policy, which provides coverage for property damage and loss of use of property;
  - b. Indemnities from the construction contractor and the design contractor for loss incurred by Council that is attributable to the actions of such contractors; and
  - c. The engagement of a full time specialist superintendent to supervise the construction contractor to ensure that they are compliant with all contractual obligations.

### Statutory Liability

9. The Electricity Act contains extensive provisions regarding an 'electricity entity' (which would include Energex)<sup>1</sup> and its 'works', defined as anything used for, or in association with, the generation, transmission or supply of electricity<sup>2</sup>. The Electricity Cable is within the ambit of 'works'.

10. Section 99(3) of the Electricity Act provides:

*(1) A person proposing to do work near an electricity entity's works must give the entity at least 14 days written notice of the proposed work if, in performing the work—*

*(a) plant, if not properly controlled, is likely to come into contact with an overhead electric line; or*

*(b) soil or other material supporting or covering the entity's works may be disturbed.*

*(2) If, because of an emergency, it is not practicable to give the notice under subsection (1), written notice must be given to the electricity entity as soon as practicable.*

*(3) The person must, at the person's cost, take measures to protect or reinstate the electricity entity's works if required by the entity.*

11. The placement and compaction of fill and construction of the car park may disturb the soil or other material covering the landward section the Electricity Cable. Additionally, the

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<sup>1</sup> *Electricity Act 1994* (Qld), s22.

<sup>2</sup> *Electricity Act 1994* (Qld), s12(1).

construction of new boat ramp may disturb the mud, sand or other seabed material supporting the seaward section of the Electricity Cable.

12. Accordingly, Energex could require Council to protect the Electricity Cable and reinstate any damage occasioned to the Electricity Cable as a result of the Boat Ramp Project works. Such reinstatement would be at Council's cost.

### **Deed of Indemnity**

13. Council has entered into the Deed with Energex on the following terms:

*Council indemnifies Energex against Loss arising directly or indirectly from:*

*(a) any damage to any of the Electricity Cables or an interruption to the supply of electricity through any of the Electricity Cables to the extent that it is caused or contributed to by any negligent act, error or omission of the Council in relation to the undertaking of the Works during the Construction Period; and*

*(b) any negligent act, error or omission of the Council in undertaking the Works during the Construction Period,*

*except to the extent that such liability was attributable to any negligent act, error or omission of Energex.*

14. The indemnity provided for in the Deed in respect of damage to the Electricity Cable is narrower than Council's existing statutory liability as the indemnity is fault based and requires that Council contribute to the loss caused. The Deed does not represent an onerous risk as the indemnity does not impose significant additional liability on Council.
15. In addition to damage to the Electricity Cable, the Deed imposes an obligation on Council to indemnify Energex for loss arising from an interruption to the supply of electricity through the Electricity Cables.
16. In accordance with section 120 of the National Electricity Law, a registered participant (including Energex) does not incur any civil monetary liability for any potential or total failure to supply electricity unless the failure is due to an act or omission done or made by the registered participant in bad faith or through negligence. As a result, provided that Energex has not acted negligently, it will have no liability to third parties who incur loss as a result of an interruption to electricity supply.

17. As Energex is unlikely to suffer loss arising from an interruption to the supply of electricity the obligation for Council to indemnify Energex for such loss represents a relatively low risk.
18. The obligation to indemnify Energex in accordance with the Deed will only be triggered in circumstances where the loss incurred by Energex is caused or contributed to by any negligent act, error or omission of Council. Council may mitigate the risk of negligence by ensuring that Council and its contractors are attentive and careful in their carrying out of the construction works. Council is currently undertaking a tender process for the appointment of an independent superintendent who will be present on the site at all times to ensure that the contractor is compliant with their obligations under the contract; this will further reduce the likelihood of Council's negligence.

### **Council's Liability to Third Parties**

19. In the event that the Electricity Cable is damaged and there is a resulting loss of electricity supply, residents and businesses of Macleay Island could bring a claim against Council for negligence by arguing that Council:
- a. owed them a duty of care; and
  - b. breached that duty by negligently causing damage to the Electricity Cable and a resulting loss of supply of electricity to Macleay Island.
20. The ambit of such a claim would depend on the causation of the damage to the Electricity Cables and the nexus between the damage and the act or omissions of Council.
21. The risk of liability in negligence is mitigated by the engagement of an external construction superintendent as described in paragraph 18 of this report.

### **Insurance**

22. Council is insured pursuant to the Queensland Local Government Mutual Liability Scheme (**LGM Insurance**). This insurance provides cover for legal liabilities to third parties:
- a. for Personal Injury and/or Damage to Property caused by an occurrence; and/or

- b. arising out of any negligent act, error or omission whenever or wherever the same was or may have been committed or alleged to have been committed by the Council,

in connection with or in the conduct of the Council's business.

23. 'Damage to Property' is defined as:

- a. *physical injury to or destruction of tangible property (which shall include loss of property) and the loss of use thereof at any time resulting therefrom; or*
- b. *loss of use of tangible property which has not been physically injured or destroyed (which shall include loss of property) provided such loss of use is caused by an Occurrence.*

24. 'Occurrence' is defined as '*an event, including continuous or repeated exposure to substantially the same general conditions, which results in ... Damage to Property neither expected nor intended from the stand point of the [Council].*'

25. The LGM Insurance would cover Council for damage to property and loss of use of property incurred or suffered by Energex or a third party arising as result of Council's negligence.

### **Contractor's Liability**

26. The proposed construction contract is governed by Australian Standard contract 2124-1992 as amended by Council's Special Conditions (**the Contract**).

27. Clause 17.1 of the Contract provides:

*The Contractor shall indemnify the Principal against –*

- (a) *Loss of or damage to property of the Principal, including existing property in or upon which the work un the contract is being carried out; and*
- (b) *Claims by any person against the Principal in respect of personal injury or death or loss of or damage to any property,*

*arising out of or as a consequence of the carrying out by the Contractor of the work under the Contract, but the Contractor's liability to indemnify the Principal shall be reduced proportionally to the extent that the act or omission of the Principal or*

*employees or agents of the Principal may have contributed to the loss, damage, death or injury.*

*Clause 17.1 shall not apply to –*

- (i) The extent that the liability of the Contractor is limited by another provision of the Contract;*
- (ii) Exclude any other right of the Principal to be indemnified by the Contractor;*
- (iii) Things for the care of which the Contractor is responsible under Clause 16.1;*
- (iv) Damage which is the unavoidable result of the construction of the Works in accordance with the Contract; and*
- (v) Claims in respect of the right of the Principal to construct the work under the Contract on the Site.*

28. In the event that the Electricity Cable is damaged during construction of the Boat Ramp Project, Council will have a right to be indemnified for the whole of the cost of the damage to the Electricity Cable pursuant to clause 17.1 provided that:

- a. the damage is attributable to the carrying out of work by the Contractor;
- b. the damage has not been contributed to by Council; and
- c. the damage was not an unavoidable result of the construction of the works in accordance with the contract.

29. The principal risk to the right of indemnity is that Council will have contributed to the damage or that the damage is an unavoidable result of the contract design, this is of particular concern as Council has provided the design for the construction works. Council's options in such circumstance are examined further in paragraph 31 of this report.

### **Liability of Designer**

30. The design for the construction of the Boat Ramp Project has been undertaken by [REDACTED] [REDACTED] was engaged pursuant to the Redland City Council General Conditions of Contract (Professional Services) which provides at clause 12.1:

*The Contractor shall indemnify and continue to indemnify the Council against:*

- (i) Loss of or damage to property of the Council...or any third party; and*

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(ii) *Any claims without limitation, by any person against the Council, including claims in respect of personal injury, death, loss of or damage to any property or claim for infringement of intellectual property rights,*

*arising out of or as a consequence of the carrying out of the Services by the Contractor.*

31. Accordingly, where there is damage to the Electricity Cable as a result of an incorrect or inappropriate design Council will have a right to be indemnified by [REDACTED] in respect of loss incurred as a result, this would include loss incurred as a result of the Deed.

32. Council officers have consulted with Energex in the preparation of the construction design, particularly the works intended to protect the Electricity Cable from damage, and Energex has approved the design of such works. Whilst this approval was informal and not binding it is indicative that there are no obvious deficiencies in the proposed cable protection works.

### **Proposed Energex Mitigation Measures**

33. Council officers have been in contact with Energex in relation to the risk of an interruption to the supply of electricity as a result of damage to the Electricity Cable. Energex officers have advised that although the Electricity Cable is reaching the end of its design life there are not currently any plans to upgrade or replace the Electricity Cable. In the event that there is an interruption to supply, Energex has advised that their contingency plan is to locate generators on Macleay Island as soon as practicable after becoming aware of the interruption.

### **Conclusion**

34. Having regard to the above, it is my opinion that the legal risks associated with the Boat Ramp Project in close proximity to the Electricity Cable have been mitigated as far as practicable. The risk of liability as a result of the Boat Ramp Project cannot be excluded entirely however such risk can be managed through careful and attentive project supervision.

Heather Miller  
Solicitor  
Legal Services

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**June 2016**

# Offset proposal for Redland City Council Macleay Island Jetty Upgrade Project

Proposal by SEQ Catchments





Proposal Summary..... 2

Background project information..... 2

Environmental offsets impact site assessment..... 3

Proposal to deliver the marine plant and Marine Park offset..... 4

Role and function of the Subtropical Saltmarsh Advisory Committee ..... 4

Approach to saltmarsh offset and related ecosystems activities..... 5

Location and extent of the current saltmarsh assessment area..... 7

The Terrestrial Offset..... 11

Monitoring, Evaluation & Reporting..... 11

SEQ Catchments as a leading provider ..... 12

Project Team..... 12

## Proposal Summary

This offset proposal relates to the proposed development of the Macleay Island Jetty Upgrade by Redland City Council. This proposal deals with the offset requirements for 0.6 ha of marine plants, 0.1 ha of FHA/Marine Park and 0.425 ha of endangered RE 12.5.2 as residual impacts requiring offsets.

SEQ Catchments Limited proposes to use its Landscape Optimisation Offset Key (LOOK) methodology in combination with expert advice from the Subtropical Saltmarsh Advisory Committee to identify and prioritise marine plant rehabilitation sites in and around Moreton Bay. The Committee will utilise its recently developed classification methodology to assess habitat quality and recovery feasibility at potential delivery sites. In this instance, a total of 0.7 ha impact on marine plants and the marine park will require 2.8 ha of marine plant habitat to be offset.

For the terrestrial offset (RE 12.5.2), the LOOK methodology will also be used to identify suitable sites to provide an offset for the impacted endangered vegetation community RE 12.5.2. Once a suite of sites are identified, SEQ Catchments area manager network will then assist with landholder negotiation should it be necessary. The impacted matter totals 0.425 ha and will therefore require an offset area of 1.7 ha.

Combined, the marine plant, Marine Park, and terrestrial offsets will require monitoring for the life of the impact (permanent) or until it is protected as remnant. If RCC were to use the financial offset option as an alternative, the total cost according to the Queensland Government Financial Settlement Calculator would be \$256,781.10.

## Background project information

Our understanding is Redland City Council (RCC) propose to provide increased car parking and associated works as part of the management of asbestos and upgrade to the Macleay Island Jetty facility. The proposal will impact 0.6 ha of intertidal marine vegetation and between 400 and 1200m<sup>2</sup> of marine habitat within Moreton Bay Marine Park – an estimate of 1000m<sup>2</sup> will be used for this proposal.

This proposal interprets the term “Marine plant” to include the following in line with the *Fisheries Act 1994* —

- (a) a plant (a “tidal plant”) that usually grows on, or adjacent to, tidal land, whether it is living, dead, standing or fallen;
- (b) material of a tidal plant, or other plant material on tidal land;
- (c) a plant, or material of a plant, prescribed under a regulation or management plan to be a marine plant.

(2) “Marine plant” does not include a declared plant under the *Rural Lands Protection Act 1985*.

In addition, 4250 m<sup>2</sup> of endangered RE 12.5.2 (sourced from Version 9 RE layer) will be impacted under the proposal. While the exact area needs to be quantified, this figure will be used as the basis for this proposal. We understand the herbarium in 2010 estimated this area to be 4030 m<sup>2</sup> using version 7 RE layer.

Since the original design work on this project in 2010, the Queensland Government has introduced new legislation, *Environmental Offsets Act 2014*, in order to consolidate the regulatory framework dealing with environmental offsets. The Act and associated regulations and policy outline the detailed requirements for offsetting impact matters of environmental significance.

This proposal assumes RCC has completed its due diligence under the Act and has avoided and mitigated the development impacts and therefore; the proposal deals with the offset requirements for 0.6 ha of marine plants, 0.1 ha of Marine Park and 0.425 ha of endangered RE 12.5.2 as residual impacts requiring offsets.

Under the Act, RCC can deliver an offset as a financial settlement offset, or proponent driven offset. We understand RCC has been requested to deliver proponent driven offsets and this proposal sets out a methodology for meeting the projects offset obligations.

## Environmental offsets impact site assessment

The site located on Macleay Island is owned by Redland City Council in freehold with a real property description of Lot 1 on RP 860634. Its primary land use designation is “marina” and it 8114 m2 in total. The site is covered with endangered RE 12.5.2 and of least concern RE 12.1.3 with around 0.1 ha of non remnant area.

The Queensland Government provides an online tool to assist potential proponents calculate the minimum required area to offset development impacts on matters of environmental significance. The results of the calculations for the Macleay Island proposal for terrestrial, marine plant, and Marine Park offsets is set out below.

### Impact area details

#### Section 1 – Terrestrial Offset Details

LGA Redland City Council  
 Bioregion Southeast Queensland  
 Subregion Sunshine Coast - Gold Coast Lowlands  
 Impact area 0.425 ha  
 Impact area matter:

- .425 ha of Regional ecosystem - 12.5.2 (Eucalyptus tereticornis, Corymbia intermedia on remnant Tertiary surfaces, usually near coast. Usually deep red soils)

#### Section 2 - Marine Plant Details

Bioregion Inshore - Non-remote  
 Subregion Tweed-Moreton  
 Impact area 0.7 ha  
 Impact area matter groups:

- .6 ha of Marine plants
- .1 ha of Marine Park

#### Sections, areas and matter groups used in calculations

| Section | Bioregion / Marine (and waterways) zone | Subregion / Marine bioregion         | Local government area (LGA) | Section significant residual impact area (ha) | Section notional offset area (ha) | Matter group  | Matter's significant residual impact area (ha) | Matter's notional offset area (ha) |
|---------|---|--------------------------------------|-----------------------------|---|-----------------------------------|---|--|------------------------------------|
| 1       | Southeast Queensland                    | Sunshine Coast - Gold Coast Lowlands | Redland City Council        | 0.425   | 1.7                               | 1.1 Regional ecosystem - 12.5.2 (Eucalyptus tereticornis, Corymbia intermedia on remnant Tertiary surfaces, usually near coast. | .425   | 1.7                                |

|   |                      |               |  |     |     |                         |    |     |
|---|----------------------|---------------|--|-----|-----|-------------------------|----|-----|
|   |                      |               |  |     |     | Usually deep red soils) |    |     |
| 2 | Inshore - Non-remote | Tweed-Moreton |  | 0.7 | 2.8 | 2.1 Marine plants       | .6 | 2.4 |
| 2 | Inshore - Non-remote | Tweed-Moreton |  | 0.7 | 2.8 | 2.2 Marine Park         | .1 | 0.4 |

### Payment details for a financial offset

#### Non-protected area cost

|                               |  |
|-------------------------------|--|
| On ground cost                |  |
| Landholder incentive payment  |  |
| Administrative cost           |  |
| Total non-protected area cost |  |

#### Protected area cost

|                           |        |
|---------------------------|--------|
| Total protected area cost | \$0.00 |
|---------------------------|--------|

#### Total cost

|             |  |
|-------------|--|
| Grand total |  |
|-------------|--|

The total area required to offset the marine plant habitat and Marine Park habitat is 2.8 ha and for the endangered RE 12.5.2 the total area is 1.7 ha.

### Proposal to deliver the marine plant and Marine Park offset

SEQ catchments proposes to utilise its Coastal Saltmarsh Program to meet the marine plant and Marine Park components of the potential offset. To achieve meaningful outcomes for saltmarsh conservation in South East Queensland (SEQ) requires a long term focus and continuing investment. The program is set up to work with the Saltmarsh Network and the Subtropical Saltmarsh Advisory Committee to ensure a collaborative and optimising approach to maintaining and improving the status, condition and trend for subtropical and temperate coastal saltmarshes and associated ecosystems.

Subtropical and temperate coastal saltmarsh are classified as a Vulnerable Ecological Community under the Environmental Protection and Biodiversity Conservation Act 1999 and found along the South East Queensland (SEQ) coastline being recognised as a Matter of National Environmental Significance (MNES) in late 2013. SEQ Catchments has been tasked by the Australian Government through the National Landcare Programme to facilitate outcomes for Matters of National Environmental Significance (MNES) located within South East Queensland.

The program aims to build collaborative efforts between all levels of government and non-government organisations to facilitate regional conservation outcomes for coastal saltmarsh ecosystems in South East Queensland. The advisory committee performs a critical role in this objective.

### Role and function of the Subtropical Saltmarsh Advisory Committee

The role of the advisory committee includes:

- Inform priority issues and threats to be addressed for coastal saltmarsh and associated ecosystems in SEQ.
- Inform investment and management relating to the conservation of Coastal Saltmarsh in SEQ
- Build productive partnerships for on-ground activities focussed on saltmarsh conservation and restoration
- Enhance the value the community places on the conservation of Coastal Saltmarsh by raising the profile of the ecosystem amongst the broader community

- Ensure regional activities and issues are considered in national recovery planning processes
- Represent the views and interests of the stakeholder groups represented in the committee

### Advisory committee members

Sixteen members have been selected based on their:

- Demonstrated interest and enthusiasm in being part of a collaborative, multi-stakeholder group working to conserve saltmarsh ecosystems.
- Experience and expertise in coastal ecology, conservation, policy, management and education (preferably with tidal wetland expertise).
- Demonstrated connection and with their community of interest (stakeholder group).
- Demonstrated interest in saltmarsh conservation, research and management at a regional scale.

Representation on the committee reflects that the majority of Coastal Saltmarsh ecosystem in SEQ is managed by either local or state government and includes:

- **Local governments**
  - Redland City Council: 1 representative
  - City of Gold Coast: 1 representative
  - Moreton Bay Regional Council: 1 representative.
  - Noosa Council: 1 representative
  - Brisbane City Council: 1 representative
- **Queensland Government** (3 representatives).
  - Department of Agriculture and Fisheries: Luke Bekker (lead), Gemma Mackenzie.
  - Department of Environment and Heritage Protection/ Department of Science, Information Technology and Innovation: Mike Ronan (lead), Ralph Dowling.
  - Department of National Parks, Sport and Racing: Rebecca Batton.
- **Industry** (1 representative)
  - Port of Brisbane: 1 representative
- **Gold Coast Waterways Authority**: 1 representative
- **Traditional Owners** (2 representatives).
  - Quandamooka Yoolooburrabee Aboriginal Corporation: Darren Burns.
  - Bunya Bunya Country Aboriginal Corporation: interests represented by Genevieve Jones.
- **Community and Not for Profit** (2 independent, 1 SEQ Catchments representative).
  - Sunfish Queensland: Judy Lynne.
  - Nina Kaluza, community member with a strong academic background and regional research in saltmarsh as water mouse habitat.
  - SEQ Catchments: Apanie Wood.
- **Research** (2 representatives).
  - Griffith University: Rod Connolly (lead), Joe Lee, Jon Knight, Pat Dale, Maggie Muurmans.
  - James Cook University: Norm Duke (lead), Marcus Sheaves, Jock Mackenzie

### Approach to saltmarsh and related ecosystems offset activities

Through the Coastal Saltmarsh program, SEQ Catchments will be working with partner organisations to identify, prioritise and deliver restoration and conservation actions for coastal saltmarsh in SEQ.

To enable this outcome, SEQ Catchments has analysed the values and protection levels offered to coastal saltmarsh across the region, providing the basis of a prioritisation framework to be used and modified by the committee for project development and funding decisions.

Input from communities and interested parties is being sought to develop on-ground project proposals for consideration by the advisory committee and potential future funding. This input is being received via an online mapping portal, as well as directly discussed with SEQ Catchments staff and advisory committee members. Through this process more than 17 sites have been identified to date, across more than 100 hectares. These sites require direct intervention to control key threatening processes including;

- Vehicle access management
- Recreational use access management

- Weed control
- Fire management
- Reinstatement/modification of hydrological regimes
- Pollution management
- Grazing management

SEQ Catchments will initiate scoping and costing out the activities required at each site as the next phase of the work. This information will be presented to the Subtropical Saltmarsh Advisory Committee for consideration and potential future funding through various arrangements. Whilst not all identified sites will be appropriate for offset activities, SEQ Catchments is confident that many will be suitable and relevant to the impacted matters relating to the Macleay Island site.

### **Prioritising conservation and restoration of coastal saltmarsh and related ecosystems in SEQ**

To enable selection of priority actions for subtropical saltmarsh and associated coastal ecosystem conservation in South East Queensland, it is first necessary to understand the key locations of saltmarsh areas and the associated coastal values present.

During the inaugural meeting of the Subtropical Saltmarsh Advisory Committee, several gaps in the available data on definitions, guidelines and accurate mapping products for saltmarsh ecosystems in SEQ were identified. In an effort to address these gaps the Subtropical Saltmarsh Advisory Committee is developing guidelines via expert panel input to assess and compare the condition and value of saltmarshes across the region. These guidelines will facilitate improved assessment of relative value, and allow prioritization of management actions to conserve the highest value areas.

Based on the recommendations of the Subtropical Saltmarsh Advisory Committee the SEQ Catchments mapping team has analysed the values and protection levels offered to coastal saltmarsh and associated intertidal ecosystems across our region. The mapping undertaken presents the known natural values and protection levels of saltmarsh and intertidal complexes in South East Queensland. A neighbourhood analysis in GIS was used to group remnant patches as mapped by the Queensland Herbarium Regional Ecosystem Program into saltmarsh and intertidal ecosystem complexes. Clusters were further identified by separating out some of the broad clusters based on environmental and/or geographical factors (i.e. saltmarsh community associated with an individual estuary).

#### **Score calculations**

The saltmarsh and intertidal complexes were scored on known relative values and current protection levels. High scores represent saltmarsh and intertidal complexes with many values and higher protection levels, while lower scores represent complexes with fewer overlapping values and/or lower levels of protection. See following table for scoring.

Total scores were generated using the following metrics:

**Patch size:** Score of low (1) through high (4) based on the largest individual saltmarsh patch within a cluster (generated from Regional Ecosystem Version 9, RE 12.1.2).

**Zoning:** Score of low (1) through high (4) based on protection mechanisms offered by Marine Park Zoning. A score of 4 indicates the area falls within a Marine National Park.

**Fish Habitat Areas:** Presence (4) or absence (0) of a declared Fish Habitat Area within the cluster.

**Ramsar Wetland:** Presence (4) or absence (0) of a Ramsar Wetland designation within the cluster.

**Remnant Connectivity:** Score of low (1) through high (4) based on the proximity of saltmarsh patches to other remnant forests in the cluster.

**Matters of National Environmental Significance:** Score of low (1) through high (4) based on the presence of mapped Matters of National Environmental Significance in the cluster area.

**Wader Habitat:** Score of low (1) through high (4) based on the type and relative value of Wader (shorebird) habitat within the cluster area.

**Reefs & Rocky Reefs:** Presence (4) or absence (0) of Reefal habitats within the cluster area.

**Seagrass:** Presence (4) or absence (0) of seagrass meadows within the cluster area.

**Essential Habitat:** Presence (4) or absence (0) of mapped Essential Habitat for State listed species within the cluster area.

This scoring will be used to inform the selection of priority sites by the Subtropical Saltmarsh Advisory Committee.

| Cluster Name                        | ZONE CODE | Total area of complex (ha) | Patch Size Score | Zoning Score | Fish Habitat Score | Ramsar Score | Remnant Connectivity Score | MNES Score | Wader Habitat Score | Reefs & Rock Score | Seagrass Score | Essential Habitat Score | Total Score |
|-------------------------------------|-----------|----------------------------|------------------|--------------|--------------------|--------------|----------------------------|------------|---------------------|--------------------|----------------|-------------------------|-------------|
| Coomababah                          | 1         | 3,210                      | 2                | 4            | 4                  | 4            | 3                          | 3          | 3                   | 0                  | 0              | 4                       | 27          |
| Epparah Creek - Coochiemudlo Island | 2         | 5,717                      | 3                | 4            | 0                  | 4            | 3                          | 3          | 3                   | 4                  | 4              | 4                       | 32          |
| Tingalpa Creek                      | 3         | 5,102                      | 3                | 2            | 0                  | 4            | 3                          | 3          | 4                   | 4                  | 4              | 4                       | 31          |
| Bulimba Creek                       | 4         | 2,064                      | 2                | 1            | 0                  | 0            | 2                          | 2          | 2                   | 0                  | 0              | 4                       | 13          |
| Brisbane River Mouth                | 5         | 3,822                      | 3                | 2            | 0                  | 4            | 3                          | 3          | 4                   | 0                  | 4              | 4                       | 27          |
| Mud Island                          | 6         | 1,775                      | 3                | 2            | 0                  | 4            | 4                          | 2          | 2                   | 4                  | 4              | 4                       | 29          |
| Hays Inlet                          | 7         | 9,167                      | 3                | 4            | 4                  | 4            | 4                          | 3          | 4                   | 4                  | 4              | 4                       | 38          |
| Pumicestone North                   | 8         | 13,197                     | 2                | 4            | 4                  | 4            | 4                          | 4          | 3                   | 0                  | 4              | 4                       | 33          |
| Maroochy River                      | 9         | 3,090                      | 1                | 1            | 4                  | 0            | 4                          | 4          | 3                   | 0                  | 4              | 4                       | 25          |
| Noosa River                         | 10        | 5,190                      | 3                | 1            | 4                  | 0            | 4                          | 4          | 3                   | 0                  | 4              | 4                       | 27          |
| Mooloolah River                     | 11        | 430                        | 1                | 1            | 0                  | 0            | 4                          | 4          | 0                   | 0                  | 0              | 4                       | 14          |
| Caboolture River                    | 12        | 5,303                      | 3                | 4            | 4                  | 4            | 3                          | 3          | 4                   | 0                  | 4              | 4                       | 33          |
| Boondall - Kedron Brook             | 13        | 4,159                      | 2                | 4            | 0                  | 4            | 4                          | 3          | 4                   | 0                  | 4              | 4                       | 29          |
| Pinkenba                            | 14        | 291                        | 2                | 1            | 0                  | 0            | 1                          | 1          | 0                   | 0                  | 0              | 0                       | 5           |
| St Helena Island                    | 15        | 178                        | 1                | 4            | 0                  | 4            | 2                          | 2          | 3                   | 4                  | 4              | 0                       | 24          |
| Moreton Island South                | 16        | 131                        | 1                | 4            | 4                  | 0            | 1                          | 1          | 2                   | 0                  | 4              | 0                       | 17          |
| Logan River Mouth - Redlands South  | 17        | 9,561                      | 4                | 4            | 4                  | 4            | 4                          | 3          | 3                   | 4                  | 4              | 4                       | 38          |
| Macleay - Russell Island            | 18        | 4,685                      | 3                | 4            | 4                  | 4            | 4                          | 3          | 3                   | 0                  | 4              | 4                       | 33          |
| Little Canalpin Creek NSI           | 19        | 151                        | 1                | 4            | 0                  | 4            | 4                          | 3          | 2                   | 0                  | 4              | 4                       | 26          |
| Jacobs Well                         | 20        | 1,556                      | 1                | 2            | 4                  | 4            | 3                          | 3          | 2                   | 0                  | 4              | 4                       | 27          |
| Southern Islands NSI                | 21        | 6,670                      | 3                | 4            | 4                  | 4            | 4                          | 3          | 4                   | 0                  | 4              | 4                       | 34          |
| Pumicestone South                   | 22        | 5,869                      | 2                | 4            | 4                  | 4            | 3                          | 3          | 3                   | 0                  | 4              | 4                       | 31          |
| Pimpama River                       | 23        | 3,323                      | 2                | 4            | 4                  | 4            | 4                          | 3          | 3                   | 0                  | 0              | 4                       | 28          |
| Coomera River                       | 24        | 3,186                      | 2                | 2            | 4                  | 4            | 4                          | 3          | 3                   | 0                  | 0              | 4                       | 26          |
| Loders Creek Labrador               | 25        | 105                        | 1                | 1            | 0                  | 0            | 1                          | 1          | 0                   | 0                  | 0              | 4                       | 8           |
| Tallebudgera Creek                  | 26        | 362                        | 1                | 1            | 4                  | 0            | 2                          | 2          | 2                   | 0                  | 0              | 4                       | 16          |
| Currumbin Creek                     | 27        | 343                        | 1                | 1            | 4                  | 0            | 2                          | 4          | 2                   | 0                  | 0              | 4                       | 18          |
| South Stradbroke Island             | 28        | 1,281                      | 1                | 2            | 4                  | 4            | 4                          | 3          | 3                   | 0                  | 0              | 4                       | 25          |

Table 1: Scoring methodology as applied to saltmarsh and intertidal community clusters

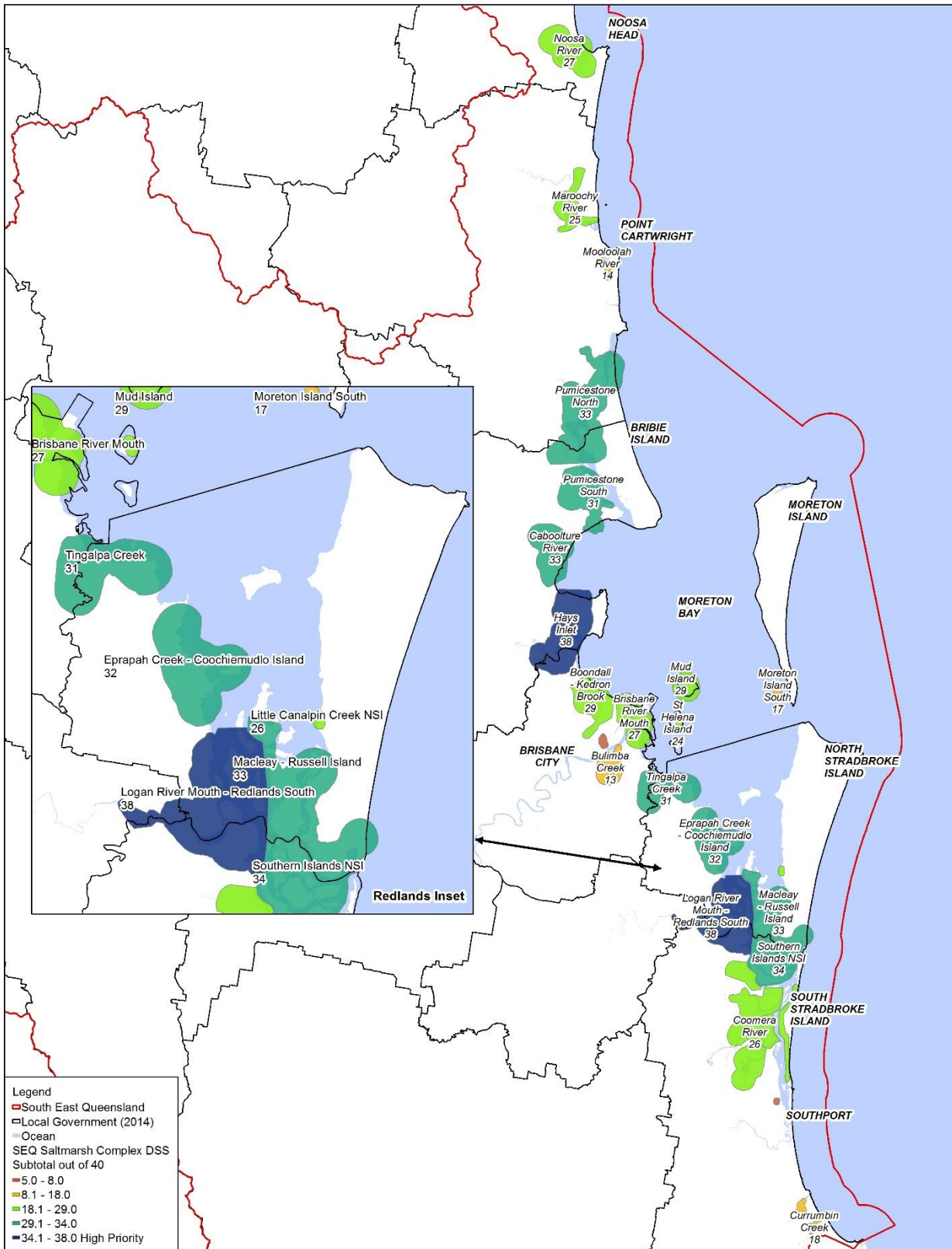
### Location and extent of the current saltmarsh assessment area

Figure 1 which follows sets out the location and extent of potential saltmarsh sites in South East Queensland based on work undertaken by SEQ Catchments and the committee to date. The sites will need to be investigated in more detail should the proposal progress to approvals.

Figure 2 outlines the details of potential saltmarsh and mangrove communities in the Redlands immediate area. The map indicates a number of potential sites which may be suitable for an offset should the proposal proceed.

Until more detailed analysis of potential sites is complete, it is difficult to estimate the costs of rehabilitation to meet the needs of the potential offset.

Figure 1. Potential saltmarsh sites



**Legend**

- South East Queensland
- Local Government (2014)
- Ocean
- SEQ Saltmarsh Complex DSS Subtotal out of 40
- 5.0 - 8.0
- 8.1 - 18.0
- 18.1 - 29.0
- 29.1 - 34.0
- 34.1 - 38.0 High Priority

SEQ Decision Support for Coastal Saltmarsh Management

1:550,000 printed A3  
GDA 1994 Zone 56  
Data Sources: Qld Government, SEQ Catchments

0 5 10 20 30 40 Kilometers

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This map is not to be sold or re-made as part of a commercial product.

Cartographer: S. Murray 10, Peter M. Walker, A. Wood  
Version: 17 June 2016  
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Figure 2. Location of saltmarsh and mangrove communities within the Redlands - North

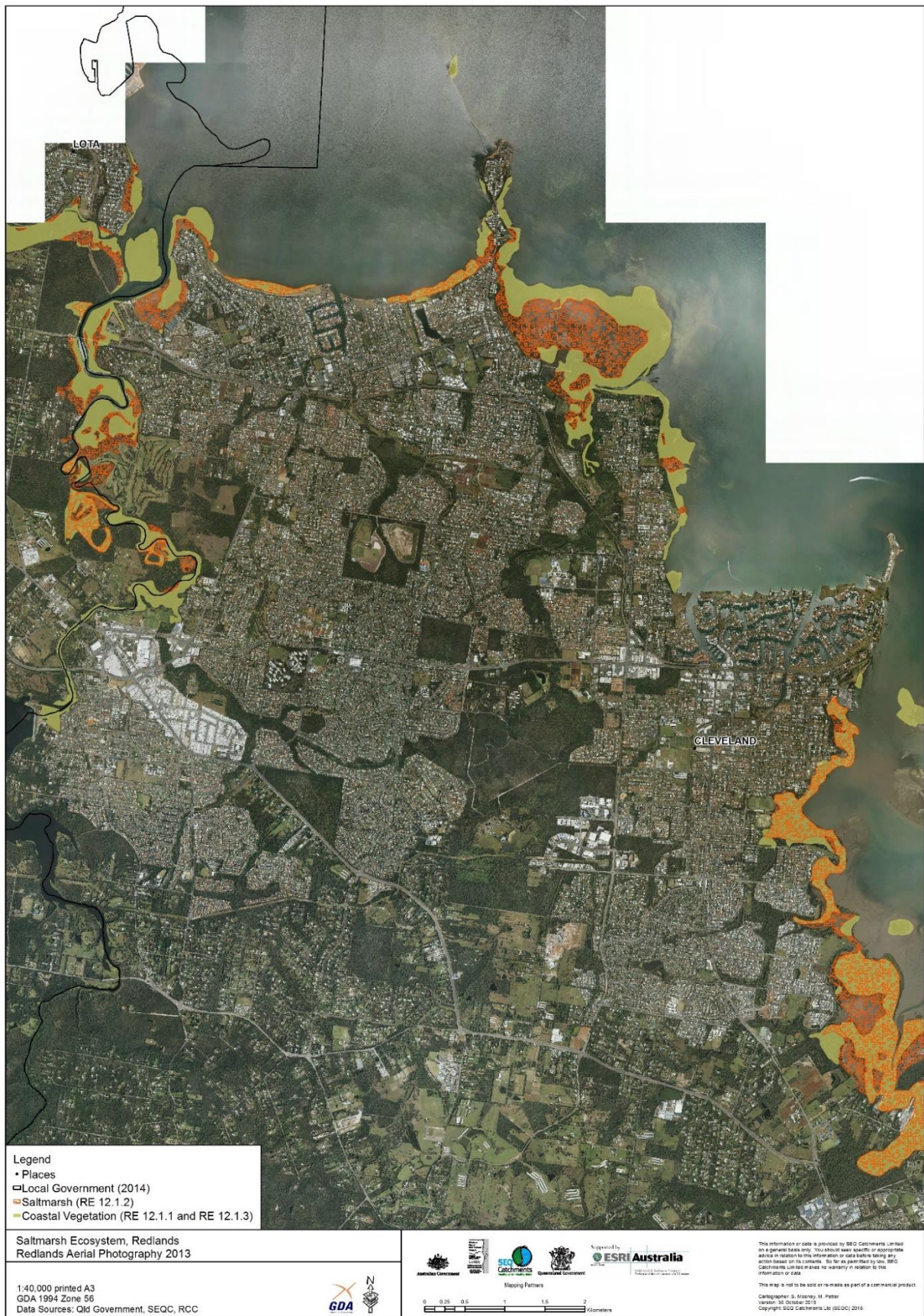


Figure 3. Location of saltmarsh and mangrove communities within the Redlands - South



## The Terrestrial Offset

The Offset Investment Portfolio for terrestrial habitats and REs is generated using Geographic Information System decision support. The Landscape Optimisation Offset Key (LOOK) generates strategic options for the selection of offset receiving sites. Potential sites in the landscape are filtered according to their conformance to the required legislative requirements such as the:

- *Environment Protection and Biodiversity Conservation Act 1999*
- *Vegetation Management Act 1999 (Qld)*
- *Nature Conservation Act 1992 (Qld)*, and
- *Fisheries Act 2004 (Qld)*.

Sites are then prioritised according to their conformance and contribution to:

- *SEQ Regional Plan 2009 – 2031*
- State Planning Policy
- SEQ Regional Natural Resource Management Plan 2009 – 2031 and associated targets including:
  - Target Areas and Areas of Interest
  - Corridors and Tract Connectors
  - Vulnerable Ecosystems
  - Koala Habitat Value and Rehabilitation Areas
  - Water Catchments (Drinking)
  - Floodplains and Riparian Zone
  - The draft Queensland Biodiversity Strategy, and
  - The Queensland Fisheries Strategy 2009 – 2014.

Regional Information Layers used to populate LOOK include:

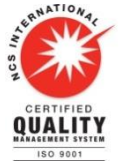
- Catchment characterisation
- Land use and Zoning
- Land cover
- Ecosystem Services
- Protected Areas (State and Local)
- Koala Plan 2006-2016
- Areas of Ecological Significance (HES/GES)
- Matter of State and National Environmental Significance
- Biodiversity Planning Assessment
- Fire Hotspots (2002-2009)
- Regrowth
- Climate Change Refuges and Adaptation Zones (CLIM9).

Options for offsetting sites generated using LOOK are then investigated for the availability of that land for offsetting purposes, security (legally binding mechanisms), and cost. Our environmental offset investment projects are delivered in conjunction with strategic partners and any others partners as appropriate, in accordance with the Environmental Offset Policy.

In order to maximise the offset investment, terrestrial sites with advanced regrowth (10 years or older) are favoured to ensure the work to assist the habitat reach remnant status (a score of 7 or better) is minimised.

## Monitoring, Evaluation & Reporting

The State government will require the offset delivery to be monitored regularly to ensure it is delivering the stated outcomes of the proposed proponent driven offset. This is likely to involve monitoring annually until the habitat quality has improved to remnant or better (depending on the impact site habitat quality). Over the lifetime of the project, this will require photo point monitoring, imagery and GIS analysis, baseline establishment, and regulator liaison and reporting to ensure the offset obligations are achieved.



SEQ Catchments will implement monitoring and evaluation methodologies as part of the company's ISO 9001 Quality Management System. These methodologies will be used to report progress to the proponent and regulators to ensure full compliance with the offset policies and offset management plan.

The details of the monitoring and reporting program will be developed upon acceptance of the offset proposal with final approval of any methodology only given following consultation with relevant State Agencies and key stakeholders. Once the monitoring program is established, it should cost around \$5,000 per annum per site. In this instance, there are likely to be two sites involved and the timeframes likely to be in the order of 5 to 7 years.

### SEQ Catchments as a leading provider

SEQ Catchments is a high quality service provider, with extensive experience in delivering and managing large offset projects for clients such as the Department of Transport and Main Roads, Energex, Powerlink, Port of Brisbane, Unity Water and Queensland Urban Utilities totalling over \$6 million in value in the past four years. We help clients meet their offset needs in line with State and Federal offset policies.

We are a community based, not-for-profit organisation and one of Australia's 56 recognised Natural Resource Management bodies. We work to improve the state of our natural assets in South East Queensland and achieve value-for-money projects, delivering all contractual obligations in line with project time frames and budget requirements.

We have a strong reputation for excellent management and governance as a not-for-profit organisation, managing a portfolio of projects worth \$11million per annum. Since 2006 we have delivered over 1000 natural resource management projects in South East Queensland.

SEQ Catchments is jointly owned by the South East Queensland Members Association and the South East Queensland Council of Mayors.

We have a proven delivery process for seagrass recovery activities in Moreton Bay and are uniquely placed within the community to roll out engagement activities with support from a wide range of stakeholders.

The SEQ Catchments team has a wide range of technical expertise in native vegetation, biodiversity, land and soil, fire, coastal and waterway management and GIS mapping. Other applied project management expertise includes effective planning, budgeting and financial tracking, stakeholder engagement and coordination, and rigorous monitoring and evaluation.

### Project Team

**Paul McDonald** – General Manager, Business Development and Innovation

Paul will oversee the delivery of this offset project and provide support through:

- Overseeing contractual agreements
- Develop the offsets management plan
- Overseeing procurement process
- Overseeing all reporting.

Contact details: Ph: 07 3211 4404, Mob: [REDACTED]

Email: [pmcdonald@seqcatchments.com.au](mailto:pmcdonald@seqcatchments.com.au)

**Apanie Wood** – Eastern Area Manager, Coastal Catchments Team

Apanie will facilitate the Subtropical Saltmarsh Advisory Group and broader community consultation around the selection and appropriateness of sites where restoration activities are to be undertaken. Apanie has extensive experience and technical skills relating to coastal ecosystems throughout Australasia.

Contact details: Ph: 07 3211 4404, Mob: [REDACTED]

Email: [awood@seqcatchments.com.au](mailto:awood@seqcatchments.com.au)

**Joel Bolzenius** – Coastal Team Manager

Joel will oversee the Coastal Team delivery of this project. Joel has previously facilitated the successful delivery of marine plant offsets on a large scale within South East Queensland including those associated with the Environmentally Friendly Mooring Program which has been recognised through the Australian Business Awards.

Contact details: Ph: 07 3211 4404, Mob: [REDACTED]

Email: [jbolzenius@seqcatchments.com.au](mailto:jbolzenius@seqcatchments.com.au)

**Shannon Mooney** – GIS

Shannon has extensive GIS and Information Management expertise having worked with all levels of government and a vast array of stakeholders in SEQ.

His role will be to deliver this offset project by:

- Ensuring the project is utilising the most current and accurate information.
- Conducting GIS analysis of data sets relating to delivery of the program.
- Development & management of mapping and information products.

Contact details: [REDACTED]

Email: [smooney@seqcatchments.com.au](mailto:smooney@seqcatchments.com.au)