



# **AGENDA**

**Wednesday, 17 November 2021**

**Supplementary Reports  
Ordinary Council Meeting**

**Date: Wednesday, 17 November 2021**

**Time: 9:00am**

**Location: Council Chambers**

**Peter Franks  
Chief Executive Officer**



**Order Of Business**

**0 Office of the CEO .....5**

S.1 Kuranda Infrastructure Agreement ..... 5



## 0 OFFICE OF THE CEO

### S.1 KURANDA INFRASTRUCTURE AGREEMENT

**Date Prepared:** 16 November 2021  
**Author:** Director Corporate and Community Services  
**Attachments:** Nil

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#### EXECUTIVE SUMMARY

A proposed new Kuranda Infrastructure Agreement (KIA) has been provided for Council's consideration. This proposed new agreement is to commence from 1 January 2022 for a period of five years as a levy on Kuranda Scenic Rail and must be executed no later than Friday 19 November 2021.

#### RECOMMENDATION

That Council delegates authority to the Mayor to execute a new Kuranda Infrastructure Agreement following discussions with the State Government and subsequent consultation with Councillors.

#### BACKGROUND

The Kuranda Infrastructure Agreement (KIA) was due to expire at the end of last year, however an interim one-year agreement until 31 December 2021 to allow for a comprehensive review as required by the Department of Premier and Cabinet was put in place.

Council engaged Ramafin P/L in January 2021 to assist in undertaking the review of the Kuranda Infrastructure Agreement (KIA). Whilst the existing agreement had initially been established to fund infrastructure to meet the needs of tourists and visitors within Kuranda which would not normally have been afforded/provided by Council, the materials utilised, its configuration and its ongoing maintenance and renewal/ upgrade has been set at a much higher standard and provides a higher level of service when compared to infrastructure provided and maintained in other towns and villages.

Consistent with sound asset management practices as well as alignment with the intent of the KIA, it is clear that the focus for Council is to ensure both the physical and financial sustainability of the existing and future tourism related infrastructure will be achieved. As a result, an evidence-based approach has been adopted for the identification of the infrastructure demand (forward 20-year forecast) and associated works programs required to maintain the levels of service and amenity provided for tourists and visitors to Kuranda (i.e. to ensure physical sustainability). These forecast programs are then drawn upon to inform the extent of revenue necessary in order to financial support this requirement (i.e. to ensure financial sustainability).

As required by the interim agreement, Council subsequently made a submission to the Department of State Development, Infrastructure, Local Government and Planning (DSDILGP) on 17 June 2021.

Advice received by the DSDILGP on 8 November 2021 indicating that the State would renew the KIA for a period of five years, with the new KIA to deal solely with funds levied on Scenic Railway and no contribution from the SkyRail licence fee at all.

On 12 November 2021, Mayor Toppin provided a letter of response to the Deputy Premier as Minister for Local Government requesting that the proposed agreement be reconsidered in terms of levy collection so that it included the existing Skyrail contribution, and the term of the new agreement be extended as per previous agreements. This request was on the basis of the comprehensive review undertaken by Ramafin P/L in early 2021.

A draft KIA was provided by DSDILGP on 12 November 2021 for Council's consideration and indicated that execution should occur no later than 19 November 2021.

An urgent meeting with the Deputy Premier has been requested through the Local Member Minister Crawford.

## **RISK IMPLICATIONS**

### **Financial**

Without the Skyrail contribution it will be impossible to maintain the additional Tourist infrastructure without a significant rate increase which the community cannot afford.

## **LINK TO CORPORATE PLAN**

**Financial Sustainability:** A council that continuously operates in a cost-effective manner while managing council's assets and reserves to ensure a sustainable future.

## **IMPLEMENTATION/COMMUNICATION**

An urgent meeting with the Deputy Premier has been requested through the Local Member Minister Crawford.