

Melissa Burow

From: Lynne Wilbraham <Lynne.Wilbraham@gympie.qld.gov.au>
Sent: Friday, 10 February 2017 4:26 PM
To: Working for Queensland
Cc: Bernard Smith; Bob Torenbeek; Chris Engle; Ben Thrower; Sherry Lowe
Subject: Gympie Regional Council
Attachments: Gympie Regional Council W4Q List of Projects Final.xlsx

Good afternoon

Please find attached Gympie Regional Council's List of Projects to be considered for funding through the Works for Queensland program.

Should you require any further information or clarification of the details provided please contact Bernard Smith, CEO Gympie Regional Council, telephone [redacted] or email Bernard.smith@gympie.qld.gov.au.

Many thanks
Lynne

Lynne Wilbraham
Manager, Economic Development

Gympie Regional Council
242 Mary Street (PO Box 155)
Gympie Qld 4570
Phone [redacted]
Mobile [redacted]
Lynne.wilbraham@gympie.qld.gov.au
www.gympie.qld.gov.au

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How to complete the 2016–17 W4Q list of projects form

Please note: The list of projects should be completed after reading the W4Q Program Guidelines.

The objective of the W4Q program is to support job-creating maintenance and minor infrastructure works relating to assets owned or controlled by council.

Only eligible projects, as outlined in the Program Guidelines, should be included in the list of projects. Each project must report a W4Q project budget which is equal to the amount of W4Q funding the local government wishes to notionally allocate against that particular eligible project. This amount can be for a share of the actual project budget, or it can be for specific components (e.g. labour) of eligible projects. Council contributions are not to be included in the W4Q project budget, nor do they need to be advised. Local governments will be required to report against the W4Q project budget, as forecasts across relevant months.

The sum of the W4Q project budget for all projects must equal council's allocation under this program, as advised by the Minister. Council is required to meet any expenditure over the total allocation.

Council is responsible for on-going operational and maintenance costs.

Completing the List of projects form

Council name

Select the relevant local government from the drop down list provided.

PROJECT DETAILS

Project title

The title should be a brief description of the project (10 words or less).

Project category

Select the category relevant to the project from the drop down list provided.

Project description

Project description should describe (in 60 words or less) the project and what, in particular, the W4Q project budget relates to. For example, it could be for a share of the actual project budget, or relate to specific components. Also describe why the project is considered eligible.

JOBS IMPACTS

Supported

These are any existing jobs that will continue as a result of the nominated project.

Created

These are any new jobs that will be created as a result of the nominated project.

PROJECT LOCATION

Address

Is the physical location of the project.

Latitude and longitude

Detail the location coordinates for the project.

W4Q project budget

This is the amount of W4Q funding notionally allocated to the particular project.

FORECAST EXPENDITURE

Council is to forecast monthly expenditure (as accurately as possible) between February 2017 and November 2017, as it relates to the W4Q project budget.

CERTIFICATION

The form is to be submitted as an excel document. Therefore by placing the authorised officer's name in the excel form, council certifies the list of projects being submitted.

CONTACT PERSON

This is the person within the local government that the Regional Advisor, Department of Infrastructure, Local Government and Planning will liaise with on all matters associated with the list of projects.

2016-17 W4Q list of projects

Council name Gympie Regional Council

Project details			Jobs impacts		Project location			Forecast expenditure										
Project title	Project category	Project description	Supported	Created	Address	Latitude	Longitude	W4Q project budget (GST Excl)	February 2017	March 2017	April 2017	May 2017	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017
Mary Valley Heritage Rail (The Valley Rattler) Infrastructure	Economic development	W4Q funding for this project will be a share of the \$10.8M budget required to deliver infrastructure improvements to replace, restore and remediate Mary Valley Heritage Railway track infrastructure, rolling stock, bridges and buildings. This will ensure Railway is able to operate sustainably and provide an excellent level of service and experience for all visitors. Construction will support and create jobs in civil engineering, commercial construction, design and project management.	7	15	Gympie	152.674295	-26.186204	4,700,000		470,000	470,000	470,000	470,000	470,000	470,000	1,880,000		
Gympie River to Rail Trail	Economic development	This project provides funding for the staged construction of a River to Rail recreation trail on the Mary River in Gympie. Construction of pathways, viewing decks, interpretive signage and wayfinding devices to allow for easy walking through ecologically rich areas. Construction will support and create jobs in engineering, construction, design and landscaping. This project forms part of Gympie Regional Council's adopted Corporate Plan.	6	7	Gympie	152.669566	-26.19386	600,000						20,000		200,000	200,000	180,000
Mary Valley Recreation Hub (Imbil Township)	Economic development	This project will fund a stage of the Gympie region's Canoe and Kayak Strategy and potentially provide upgrades to Imbil railway station. This project also forms part of Gympie Regional Council's adopted Corporate Plan. Works in Imbil will complement planned infrastructure projects, contributing to Imbil becoming a true recreation hub for the Mary Valley and achieving economic and social outcomes. Construction will support and create jobs in engineering, construction, design, landscaping and recreation planning.	5	5	Yabba Rd IMBIL	152.679342	-26.459643	300,000						10,000			150,000	140,000
Goomeri - Our Towns	Economic development	W4Q funding will fund a stage in the Council endorsed Our Towns – Sustainable Centres Program initiative. This project incorporates the detailed design and construction of capital streetscape improvements in the Goomeri Township. The works will improve the quality, condition and lifespan of Goomeri's streetscape and park provide formalised vehicle access and upgrading of footpaths to assist in better defining the local centre and provide better connections to the local centre. Construction will support and create jobs in engineering, construction, design and landscaping	5	5	Goomeri	152.070075	-26.181671	300,000							20,000		140,000	140,000
			23	32				5,900,000										

Authorised officer
 Name Bernard Smith
 Phone number
 Email Bernard.smith@gympie.qld.gov.au

Contact officer
 Name Bernard Smith
 Phone number
 Email bernard.smith@gympie.qld.gov.au

- By submission of this form, I certify that:
- I am authorised by council to submit this list of projects
 - I have read the 2016-17 W4Q Program guidelines
 - I understand that submission of list of projects does not guarantee funding approval for either all or part of the funding being sought
 - the details in this list of projects, are true and represent a delivery commitment that council is obligated to fulfil if funded
 - council will deliver the project/s by 30 November 2017 and in accordance with relevant guideline requirements
 - the project/s will comply with all relevant Acts, laws, regulations, state or Commonwealth policies and industrial agreements and awards.



2016–17 Works for Queensland Program Guidelines

January 2017



Queensland
Government

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Introduction

The 2016–17 Works for Queensland (W4Q) program is a \$200 million Queensland Government funding program to support local governments outside of South East Queensland to undertake job-creating maintenance and minor infrastructure works.

This initiative is delivered by the Department of Infrastructure, Local Government and Planning and funded under the State Infrastructure Fund.

Objective

The objective of the 2016–17 W4Q program is to support job-creating maintenance and minor infrastructure works relating to assets owned or controlled by eligible applicants.

Eligible applicants

Eligible applicants are local government bodies constituted under the *Local Government Act 2009* that are outside of South East Queensland. The eligible applicants are listed in **Appendix 1**.

Eligible projects

To be considered under the program, projects need to create, support or sustain jobs in a local community or across a region. For example, this could mean new jobs created to deliver on commitments, sustaining jobs that might otherwise have been lost, or jobs relating to an existing work program that can be expanded.

Projects must be delivered by **30 November 2017**. Eligible projects are those that:

- improve the condition (maintenance), quality or lifespan of a local government-owned capital asset such as, but not limited to, footpaths, kerb and channel works, roads, car parks, sewer, water and stormwater systems and networks, shade structures, playgrounds, community and sport facilities, halls, swimming pools and water play infrastructure;
- are not already proposed for funding in the applicant's 2016–17 budget;
- are new minor infrastructure works that meet the required timeframe and program objectives; and
- clearly demonstrate they will create or sustain jobs.

An enhanced scope for existing maintenance projects that are already underway may also be considered under the program.

Ineligible projects under the W4Q include, but are not limited to:

- purchase of an asset or works to an asset that will not be owned and/or controlled by the applicant
- purchase or leasing of plant, vehicles and equipment
- purchase of land (e.g. land buy-back schemes)
- works constructed on land not owned or controlled by the applicant, except where it has permission to construct on Queensland Government-owned land
- works requiring complex development applications
- planning and design only
- works that cannot be delivered by the 30 November 2017 deadline
- projects within South East Queensland.

Funding

Funding will be provided under the Funding Deed of Agreement with the Department of Infrastructure, Local Government and Planning.

The allocation will comprise \$1,000,000 plus an amount that reflects unemployment levels in the region relevant to the applicant. The funding provided by the Queensland Government will be capped and advised to each recipient.

Local governments are expected to cost projects efficiently and may choose to contribute to the projects but are not obligated. Local governments can include additional or complementary funding if available. Application to the program will require appropriate sign-off that projects can meet nominated timelines and are in accordance with the W4Q Guidelines and the Deed of Agreement.

The allocation will be disbursed on the following basis:

- 60 percent upon endorsement of the projects by the department.
- A further 30 percent upon the applicant expending 50 percent of allocation.
- A final 10 percent upon finalisation/acquittal, as per the Deed of Agreement, of all projects.

Applicants should ensure that in delivery normal procurement and value for money practices apply.

Applicants will be required to report monthly on all endorsed projects, including delivery risks and information on project completion.

Acquittal will involve an applicant completing a certification form verifying it has expended the allocated funds in accordance with the W4Q Guidelines and the Deed of Agreement, including validation of jobs sustained or created.

As per clause 4.2.2 of the Funding Deed of Agreement, the applicant may be required to return unspent funding.

As per clause 6.1 of the Funding Deed of Agreement, the applicant must adhere to the Acknowledgement Guidelines issued by the department to recognise Queensland Government funding and the W4Q program in all media and other communications.

How to apply

Eligible applicants are requested to submit a 2016–17 W4Q list of projects form, which can be found online at <http://dilgp.qld.gov.au/local-government/grants/works-for-queensland>.

Submit only one (1) list of projects form detailing **all** the projects that can be delivered by the 30 November 2017 deadline, in accordance with these guidelines and the funding allocation.

Submit the form electronically via email to: 2016-17W4Q@dilgp.qld.gov.au.

Departmental regional officers are available to assist applicants prepare and submit the list of projects.

The department may seek further information from applicants.

Should the list of projects be endorsed, the applicant will receive advice from the department of the endorsed projects, along with the release of funds.

Key dates

A 2016–17 W4Q list of projects must be provided by **10 February 2017** to be considered for funding.

Confidentiality

The department will treat the information provided in the project proposal form as confidential.

Should the department be required to consult with other government agencies or bodies and other organisations and/or individuals, it will make every reasonable effort to ensure the parties who are consulted are aware of the need to treat the information as confidential.

Further information

For more information contact the department:

Brisbane grant program office	Phone:	3452 6729
	Email:	2016-17W4Q@dilgp.qld.gov.au
Northern region		
Townsville office	Phone:	4758 3420
Southern region		
Brisbane office	Phone:	3452 6762

Appendix 1

Northern region			
Aurukun Shire Council	Cook Shire Council	Livingstone Shire Council	Pormpuraaw Aboriginal Shire Council
Banana Shire Council	Croydon Shire Council	Lockhart River Aboriginal Shire Council	Richmond Shire Council
Burdekin Shire Council	Douglas Shire Council	Mackay Regional Council	Rockhampton Regional Council
Burke Shire Council	Doomadgee Aboriginal Shire Council	Mapoon Aboriginal Shire Council	Tablelands Regional Council
Cairns Regional Council	Etheridge Shire Council	Mareeba Shire Council	Torres Shire Council
Carpentaria Shire Council	Flinders Shire Council	McKinlay Shire Council	Torres Strait Island Regional Council
Cassowary Coast Regional Council	Gladstone Regional Council	Mornington Shire Council	Townsville City Council
Central Highlands Regional Council	Hinchinbrook Shire Council	Mount Isa City Council	Whitsunday Regional Council
Charters Towers Regional Council	Hope Vale Aboriginal Shire Council	Napranum Aboriginal Shire Council	Woorabinda Aboriginal Shire Council
Cloncurry Shire Council	Isaac Regional Council	Northern Peninsula Area Regional Council	Wujal Wujal Aboriginal Shire Council
	Kowanyama Aboriginal Shire Council	Palm Island Aboriginal Shire Council	Yarrabah Aboriginal Shire Council

Southern region			
Balonne Shire Council	Diamantina Shire Council	Maranoa Regional Council	South Burnett Regional Council
Barcaldine Regional Council	Fraser Coast Regional Council	Murweh Shire Council	Southern Downs Regional Council
Barcoo Shire Council	Goondiwindi Regional Council	North Burnett Regional Council	Western Downs Regional Council
Blackall-Tambo Regional Council	Gympie Regional Council	Paroo Shire Council	Winton Shire Council
Boulia Shire Council	Longreach Regional Council	Quilpie Shire Council	
Bulloo Shire Council			
Bundaberg Regional Council			
Cherbourg Aboriginal Shire Council			

Matt Woodforth

From: Executive Correspondence DILGP <executivecorrespondence@dilgp.qld.gov.au>
Sent: Tuesday, 21 February 2017 2:26 PM
To: bernard.smith@gympie.qld.gov.au
Subject: Gympie Regional Council - Letter from the Director-General, DILGP - Our ref: MBN17/166
Attachments: Gympie Regional Council.pdf

Please find attached a letter from the Director-General, Department of Infrastructure, Local Government and Planning.

Please do not reply to this email as it is automatically generated. All future communications should be addressed to the contact details shown below.

Office of the Director-General

Department of Infrastructure, Local Government and Planning

PO Box 15009, City East QLD 4002
Level 39, 1 William Street, Brisbane

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<<...>>



Department of Infrastructure,
Local Government and Planning

Our ref: MBN17/166

21 February 2017

Mr Bernard Smith
Chief Executive Officer
Gympie Regional Council
PO Box 155
GYMPIE QLD 4570

Dear Mr Smith

I refer to the Gympie Regional Council's (the council) projects submitted for endorsement under the 2016–17 Works for Queensland (W4Q) program. I wish to congratulate the council on its prompt identification of the projects and working collaboratively with the Department of Infrastructure, Local Government and Planning (the department). This important program will support jobs where they are most needed, in rural and regional Queensland.

I am pleased to advise that the Honourable Jackie Trad MP, Deputy Premier, Minister for Transport and Minister for Infrastructure and Planning has endorsed and provided preliminary approval for the projects identified by council for the 2016–17 W4Q program as detailed in the enclosure to this letter. Final endorsement of the "Mary Valley Heritage Rail (The Valley Rattler) Infrastructure" project will be subject to confirmation of ownership of rail infrastructure.

Staff from the Department of Infrastructure, Local Government and Planning (the department) will be in contact with you to assist in clarifying ownership of the assets.

The 2016-17 W4Q funding allocation of \$5,900,000 to your council is to be used for council's endorsed projects, in accordance with 2016–17 W4Q Program Guidelines (the guidelines).

The Council's allocation will be disbursed on the following basis:

- 60 percent upon endorsement of the projects by the department
- a further 30 percent upon council expending 50 percent of allocation
- a final 10 percent upon finalisation/acquittal, as per the Funding Deed of Agreement, of all projects.

Level 39
1 William Street Brisbane
PO Box 15009 City East
Queensland 4002 Australia
Telephone +61 7 3452 7009
Website www.dilgp.qld.gov.au
ABN 251 66 523 889

Immediate steps have already been taken to ensure the initial 60 percent payment to council is already being processed, meaning council will receive it by 28 February 2017.

It is important the benefits of these projects are realised as soon as possible, and it is a condition of funding that all works be completed by 30 November 2017. The Funding Deed of Agreement (the agreement) already executed between council and the department in conjunction with the guidelines will govern the delivery of these projects.

Council is expected to ensure value for money and normal procurement practices apply. I anticipate there will also be ongoing refinement of costs and the department's regional staff will work with council to facilitate.

To meet the agreement, guidelines and necessary acquittal requirements the council will be required to report monthly on all endorsed projects, including delivery risks and information on project completion. In particular, information required in monthly reporting will need to ensure the council's forecasting and expenditure is clear and up-to-date and that the job numbers, both target and actual, are tracked and recorded.

Funding for the endorsed projects will be subject to an acquittal process where the council needs to complete a certification form verifying it has expended the allocated funds in accordance with the guidelines and the agreement.

This will assist council in demonstrating it has delivered on the projects and jobs, by the 30 November 2017 timeframe, ensuring maximum and swift benefit to the community. If the council has any difficulties with project delivery, please contact your regional advisor for support and assistance. The department is also happy to work with the council to refine project costs to ensure value for money is achieved.

The certification form and monthly report template are available on the department's website at www.dilgp.qld.gov.au/local-government/grants/works-for-queensland.

The Deputy Premier has written to the Mayor notifying of the funding endorsement and preliminary approval.

If you require further information, I encourage you to contact Ms Patti McKay, Acting Regional Director, Southern Region in the department on 3452 6872 or by email at patricia.mckay@dilgp.qld.gov.au.

Yours sincerely



Frankie Carroll
Director-General

Enc

2016-17 Works for Queensland

**Gympie Regional Council
List of endorsed projects**

No.	Project Title	Endorsed funding amount \$
1	Gympie River to Rail Trail	\$600,000
2	Mary Valley Recreation Hub (Imbil Township)	\$300,000
3	Goomeri - Our Towns	\$300,000
	TOTAL	\$1,200,000

Preliminary approved project

No.	Project Title	Preliminary approved funding amount \$
1	Mary Valley Heritage Rail (The Valley Rattler) Infrastructure	\$4,700,000



Deputy Premier
Minister for Transport and
Minister for Infrastructure and Planning

Our ref: MBN17/166

20 FEB 2017

Councillor Mick Curran
Mayor
Gympie Regional Council
PO Box 155
GYMPIE QLD 4570

1 William Street
PO Box 15009 City East
Queensland 4002 Australia
Telephone +61 7 3719 7100
Email deputy.premier@ministerial.qld.gov.au

ABN 90 856 020 239

Dear Councillor Curran *Mick,*

I refer to the Gympie Regional Council's (the council) project submitted for endorsement under the 2016–17 Works for Queensland (W4Q) program. I wish to congratulate the council on its prompt identification of the projects, to enable the swift delivery of jobs through priority maintenance and minor infrastructure works.

I am pleased to advise I have endorsed funding for the projects identified by council, with a preliminary approval for the Mary Valley Heritage Rail project. Final endorsement of the Mary Valley Heritage Rail project will be subject to confirmation of ownership of the rail infrastructure.

The Queensland Government established the \$200 million W4Q program to support rural and regional areas in recognition of the special challenges they face. The W4Q program will deliver jobs where they are most needed.

Please be advised the 2016–17 W4Q funding allocation to your council is to be used for council's identified projects once final approval is granted.

It is important the benefits of the projects are realised as soon as possible, and it is a condition of funding all works be completed by 30 November 2017. As you are aware, the Funding Deed of Agreement already executed between council and the department, in conjunction with the 2016–17 W4Q Program Guidelines will govern the delivery of the projects.

Once again, I wish to extend my thanks to you for your prompt identification of projects and look forward to seeing the benefits which flow to your community as a result of this important program.

Yours sincerely

JACKIE TRAD MP
DEPUTY PREMIER
Minister for Transport and
Minister for Infrastructure and Planning

Melissa Burow

From: Jade Deacon <Jade.Deacon@dilgp.qld.gov.au>
Sent: Wednesday, 15 February 2017 2:39 PM
To: Darren Foster; Bob Torenbeek
Cc: Scott Hayden; Pauline Butler; Poonam Jain
Subject: W4Q - response to DG comments
Attachments: Barcoo Shire Council.pdf; Boulia Shire Council.pdf; Gympie Regional Council.pdf

Good Afternoon Darren & Bob,

Please find attached the DGs comments. (Please note: your responses to the DG's comments are to be included as part of your eligibility check for projects).

Can you please ensure that you update the master spreadsheet to include responses to the DG's questions/comments (via column AA). All comments are to be in **blue font** and with your initials beside each comment.

If you could action this at your earliest opportunity, it would be much appreciated.

Thanks and kind regards

Kind regards,

Jade Deacon

Project Officer
Finance and Funding Branch
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] e. Jade.Deacon@dilgp.qld.gov.au

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where is the remainder coming from

2016-17 W4Q list of projects

Council name Gympie Regional Council

Project details			Jobs impacts		Project location			Forecast expenditure											
Project title	Project category	Project description	Supported	Grants	Address	Latitude	Longitude	W4Q project budget (GST excl)	February 2017	March 2017	April 2017	May 2017	June 2017	July 2017	August 2017	September 2017	October 2017	November 2017	
Mary Valley Heritage Rail (The Valley Rattler) Infrastructure	Economic development	W4Q funding for this project will be a share of the \$10.6M budget required to deliver infrastructure improvements to replace, restore and remediate Mary Valley Heritage Railway track infrastructure, rolling stock, bridges and buildings. This will ensure Railway is able to operate sustainably and provide an excellent level of service and experience for all visitors. Construction will support and create jobs in civil engineering, commercial construction, design and project management.	7	15	Gympie	152.674285	-26.166204	4,700,000		470,000	470,000	470,000	470,000	470,000	470,000	1,850,000			
Gympie River to Rail Trail	Economic development	This project provides funding for the staged construction of a River to Rail recreation trail on the Mary River in Gympie. Construction of pathways, viewing decks, interpretive signage and wayfinding devices to allow for easy walking through ecologically rich areas. Construction will support and create jobs in engineering, construction, design and landscaping. This project forms part of Gympie Regional Council's adopted Corporate Plan.	6	7	Gympie	152.668988	-26.16388	800,000						20,000	?	200,000	200,000	180,000	
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Goomeri - Our Towns	Economic development	W4Q funding will fund a stage in the Council endorsed Our Towns - Sustainable Centres Program initiative. This project incorporates the detailed design and construction of capital streetscape improvements in the Goomeri Township. The works will improve the quality, condition and lifespan of Goomeri's streetscape and park provide formalised vehicle access and upgrading of footpaths to assist in better defining the local centre and provide better connections to the local centre. Construction will support and create jobs in engineering, construction, design and landscaping.	5	5	Goomeri	152.070275	-26.181671	300,000								20,000		140,000	140,000
			23	32				5,900,000											

Authorised officer
 Name Bernard Smith
 Phone number [redacted]
 Email Bernard.smith@gympie.qld.gov.au

Contact officer
 Name Bernard Smith
 Phone number [redacted]
 Email bernard.smith@gympie.qld.gov.au

- By submission of this form, I certify that:
- I am authorised by council to submit this list of projects
 - I have read the 2016-17 W4Q Program guidelines
 - I understand that submission of list of projects does not guarantee funding approval for either all or part of the funding being sought
 - the details in this list of projects, are true and represent a delivery commitment that council is obligated to fulfil if funded
 - council will deliver the projects by 30 November 2017 and in accordance with relevant guideline requirements
 - the projects will comply with all relevant Acts, laws, regulations, state or Commonwealth policies and industrial agreements and awards.



dot in end of program.



Deputy Premier
Minister for Transport and
Minister for Infrastructure and Planning

Our ref: MBN17/305

22 MAR 2017

Councillor Mick Curran
Mayor
Gympie Regional Council
PO Box 155
GYMPIE QLD 4570

1 William Street
PO Box 15009 City East
Queensland 4002 Australia
Telephone +61 7 3719 7100
Email deputy.premier@ministerial.qld.gov.au

ABN 90 856 020 239

Dear Councillor Curran

Mick,

I refer to my letter of 20 February 2017 regarding endorsement of the Gympie Regional Council's (the council) projects under the 2016-17 Works for Queensland (W4Q) program and preliminary approval for the Mary Valley Heritage Rail (The Valley Rattler) Infrastructure project (the project) which was subject to confirmation of ownership of the land which is the subject of the project.

Following confirmation by the Department of Transport and Main Roads regarding the sublease arrangement of the land, I am pleased to advise that I have endorsed funding for the project.

Please be advised the 2016-17 W4Q funding allocation to the council is to be used for the council's identified project.

It is important the benefits of the project are realised as soon as possible, and it is a condition of funding that all works be completed by 30 November 2017. As you are aware, the Funding Deed of Agreement already executed between the council and the Department of Infrastructure, Local Government and Planning (DILGP), in conjunction with the 2016-17 W4Q Program Guidelines will govern the delivery of the project.

Mr Frankie Carroll, Director-General of DILGP has written to Mr Bernard Smith, Chief Executive Officer of the council, notifying him of my endorsement.

Once again, I wish to extend my thanks to you for your prompt identification of projects and look forward to seeing the benefits which flow to your community as a result of this important program.

If you require further information, I encourage you to contact Ms Patricia McKay, Acting Regional Director, Local Government and Regional Services (South) in DILGP on 3452 6872 or by email at patricia.mckay@dilgp.qld.gov.au.

Yours sincerely

JACKIE TRAD MP
DEPUTY PREMIER
Minister for Transport and
Minister for Infrastructure and Planning

*Mick,
So pleased to
be able to help Gympie
with this locally
significant project!
JT.*



Department of Infrastructure,
Local Government and Planning

Our ref: MBN17/305

22 MAR 2017

Mr Bernard Smith
Chief Executive Officer
Gympie Regional Council
PO Box 155
GYMPIE QLD 4570

Dear ~~Mr Smith~~ *Bernard,*

I refer to my letter of 21 February 2017 regarding the endorsement of the Gympie Regional Council's (the council) projects under the 2016-17 Works for Queensland (W4Q) program and preliminary approval for the Mary Valley Heritage Rail (the Valley Rattler) Infrastructure project (the project) which was subject to confirmation of tenure of the land which is the subject of the project.

Following confirmation by the Department of Transport and Main Roads regarding the sublease arrangement of the land, I am pleased to advise that the Honourable Jackie Trad MP, Deputy Premier, Minister for Transport and Minister for Infrastructure and Planning has endorsed the council's 2016-17 W4Q project as detailed in the enclosure to this letter.

The 2016-17 W4Q funding allocation of \$4,700,000 to the council is to be used for the council's endorsed project, in accordance with the 2016-17 W4Q Program Guidelines (the guidelines).

The council's allocation will be disbursed on the following basis:

- 60 per cent upon endorsement of the project by the Department of Infrastructure, Local Government and Planning (DILGP)
- a further 30 per cent upon the council expending 50 per cent of the allocation
- a final 10 per cent upon finalisation/acquittal, as per the Funding Deed of Agreement (the agreement), of all projects.

Immediate steps have already been taken to ensure the initial 60 per cent payment to the council for this project is being processed.

It is important the benefits of the project are realised as soon as possible, and it is a condition of funding that all works be completed by 30 November 2017. The agreement already executed between the council and DILGP in conjunction with the guidelines will govern the delivery of the project.

Level 39
1 William Street Brisbane
PO Box 15009 City East
Queensland 4002 Australia
Telephone +61 7 3452 7009
Website www.dilgp.qld.gov.au
ABN 251 66 523 889

The council is expected to ensure value for money and normal procurement practices apply. I anticipate there will also be ongoing refinement of costs and DILGP's regional staff will work with the council to facilitate.

To meet the agreement, guidelines and necessary acquittal requirements, the council will be required to report monthly on all endorsed projects, including delivery risks and information on project completion. In particular, information required in monthly reporting will need to ensure the council's forecasting and expenditure is clear and up-to-date and that the job numbers, both target and actual, are tracked and recorded.

Funding for the endorsed projects will be subject to an acquittal process where the council needs to complete a certification form verifying it has expended the allocated funds in accordance with the guidelines and the agreement.

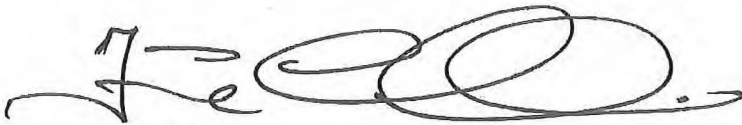
This will assist the council in demonstrating it has delivered on the projects and jobs, by the 30 November 2017 timeframe, ensuring maximum and swift benefit to the community. If the council has any difficulties with project delivery, please contact your regional advisor for support and assistance. DILGP is also happy to work with the council to refine project costs to ensure value for money is achieved.

The certification form and monthly report template are available on DILGP's website at www.dilgp.qld.gov.au/local-government/grants/works-for-queensland.

The Deputy Premier has written to Councillor Mick Curran, the Mayor of the council notifying him of the funding endorsement and approval.

If you require further information, I encourage you to contact Ms Patricia McKay, Acting Regional Director, Local Government and Regional Services (South) in DILGP on 3452 6872 or by email at patricia.mckay@dilgp.qld.gov.au.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Frankie Carroll', with a large, stylized flourish at the end.

Frankie Carroll
Director-General

Enc

2016-17 Works for Queensland

Gympie Regional Council
List of endorsed project

No.	Project Title	Preliminary approved funding amount \$
1	Mary Valley Heritage Rail (The Valley Rattler) Infrastructure	\$4,700,000

Kim Mahoney

From: Rob Metcalfe
Sent: Thursday, 16 February 2017 10:07 AM
To: Tracey O'Meara; Kim Mahoney
Cc: David Jackson; Poonam Jain; Jade Deacon
Subject: RE: Master spreadsheet W4Q Evaluation V3 as at 15.02.17.xlsx

In addition...

W4Q179 North Burnett RC – [Irrelevant information deleted under section 73(2)]

W4Q710 Gympie RC – would like to discuss \$4.7M for the Mary Valley Heritage Rail - ?business case, recent history, additional funding that will still be required

W4Q756 Wujal Wujal – [Irrelevant information deleted under section 73(2)]

From: Tracey O'Meara [mailto:Tracey.O'Meara@premiers.qld.gov.au]
Sent: Thursday, 16 February 2017 9:49 AM
To: Kim Mahoney; Rob Metcalfe
Cc: David Jackson; Poonam Jain; Jade Deacon
Subject: RE: Master spreadsheet W4Q Evaluation V3 as at 15.02.17.xlsx

Comments on last projects

[Irrelevant information deleted under section 73(2)]



Tracey OMeara
Director
Economic Policy
Department of the Premier of Cabinet
P [Redacted] M [Redacted] Refused under se
Level 30, 1 William Street, Brisbane QLD 4000
PO Box 15185, City East, QLD 4002



From: Kim Mahoney [mailto:Kim.Mahoney@dilgp.qld.gov.au]
Sent: Wednesday, 15 February 2017 5:51 PM
To: Tracey O'Meara <Tracey.O'Meara@premiers.qld.gov.au>; Rob Metcalfe <Rob.Metcalfe@dilgp.qld.gov.au>
Cc: David Jackson <david.jackson@treasury.qld.gov.au>; Poonam Jain <Poonam.Jain@dilgp.qld.gov.au>; Jade Deacon <Jade.Deacon@dilgp.qld.gov.au>
Subject: Master spreadsheet W4Q Evaluation V3 as at 15.02.17.xlsx
Importance: High

Hi Tracey and Rob,

Please find attached a spreadsheet with all the remaining projects not dealt with on Monday or in the spreadsheet sent yesterday. I am providing this to you separately given David has not had the opportunity to review the one sent yesterday.

As per yesterday's spreadsheet there is a column for you both to put comments.

Please do not alter the filters on the spreadsheet as this is what making sure you do not repeat what you reviewed yesterday/today.

Your comments on these as soon as possible is appreciated so we can get the regions to provide a response so we can deal with them when we meet tomorrow.

I will send through the meeting request shortly.

Regards Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] m. [REDACTED] e. kim.mahoney@dilgp.qld.gov.au

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Kim Mahoney

From: Rob Metcalfe
Sent: Thursday, 16 February 2017 10:43 AM
To: Kim Mahoney
Subject: RE: Master spreadsheet W4Q Evaluation V3 as at 15.02.17.xlsx

Yes – raised the Gympie Rattler (\$4.7M W4Q, of \$10.8M budget) with JW, still have concerns that will raise with DPC and Tsy. If your team has more detail that we can use in our meeting this afternoon that would be good.

From: Kim Mahoney
Sent: Thursday, 16 February 2017 10:34 AM
To: Rob Metcalfe
Cc: Poonam Jain
Subject: RE: Master spreadsheet W4Q Evaluation V3 as at 15.02.17.xlsx

Hi Rob,

Can you confirm this is you done? Just so we are sure!

Ta Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] m. [REDACTED] e. kim.mahoney@dilgp.qld.gov.au

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To: Tracey O'Meara; Kim Mahoney
Cc: David Jackson; Poonam Jain; Jade Deacon
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To: Kim Mahoney; Rob Metcalfe
Cc: David Jackson; Poonam Jain; Jade Deacon
Subject: RE: Master spreadsheet W4Q Evaluation V3 as at 15.02.17.xlsx

Comments on last projects

Irrelevant information deleted under section 73(2)



Tracey OMeara

Director
Economic Policy
Department of the Premier of Cabinet

P [redacted] M [redacted] Refused under s6
Level 30, 1 William Street, Brisbane QLD 4000
PO Box 15185, City East, QLD 4002



From: Kim Mahoney [<mailto:Kim.Mahoney@dilgp.qld.gov.au>]
Sent: Wednesday, 15 February 2017 5:51 PM
To: Tracey O'Meara <Tracey.O'Meara@premiers.qld.gov.au>; Rob Metcalfe <Rob.Metcalfe@dilgp.qld.gov.au>
Cc: David Jackson <david.jackson@treasury.qld.gov.au>; Poonam Jain <Poonam.Jain@dilgp.qld.gov.au>; Jade Deacon <Jade.Deacon@dilgp.qld.gov.au>
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Your comments on these as soon as possible is appreciated so we can get the regions to provide a response so we can deal with them when we meet tomorrow.

I will send through the meeting request shortly.

Regards Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] m. [REDACTED] e. kim.mahoney@dilgp.qld.gov.au

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Melissa Burow

From: Bob Torenbeek <Bob.Torenbeek@dilgp.qld.gov.au>
Sent: Thursday, 16 February 2017 11:15 AM
To: Kim Mahoney
Cc: Darren Foster; Adrian Tantari
Subject: FW: Rattler Funding

Hi Kim
Please find the attached email in support of the DSD (other State funding) that the council has identified.
Cheers
Bob

Bob Torenbeek

Advisor

Department of Infrastructure, Local Government and Planning

Level 3, 12 First Av Maroochydore QLD 4558

p. 07 5352 9712 | m. Refused under section | e. bob.torenbeek@dilgp.qld.gov.au

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From: Lynne Wilbraham [mailto:Lynne.Wilbraham@gympie.qld.gov.au]
Sent: Thursday, 16 February 2017 9:42 AM
To: Bob Torenbeek
Subject: FW: Rattler Funding

From: Bernard Smith
Sent: Wednesday, 15 February 2017 4:50 PM
To: Lynne Wilbraham <Lynne.Wilbraham@gympie.qld.gov.au>
Subject: FW: Rattler Funding

From: Alicia Fava [mailto:Alicia.Fava@dsd.qld.gov.au]
Sent: Thursday, 9 February 2017 3:48 PM
To: Bernard Smith <Bernard.Smith@gympie.qld.gov.au>
Cc: Bill Lewis <Bill.Lewis@dsd.qld.gov.au>
Subject: RE: Rattler Funding

Hi Bernard

I can confirm DSD will be in a position to release the remaining balance of the original grant for the Rattler (if being delivered in accordance with the business case) as well as the \$600,000 from the previous Royalties for Regions program upon confirmation of the Works for Queensland funds.

I have been in discussions with Maree Parker from the Royalties for Regions program and it is just a matter of agreeing how we transfer the funds. We will continue to look into this for you.

Kind regards
Alicia

From: Bernard Smith [<mailto:Bernard.Smith@gympie.qld.gov.au>]
Sent: Thursday, 9 February 2017 8:07 AM
To: Alicia Fava
Subject: Rattler Funding

Morning Alicia, we are ensuring we have everything in order prior to lodging our list of projects tomorrow for the Works for Queensland program including the Rattler.
Noting our phone conversation recently it would be appreciated if you could confirm that the State Government will be in a position to release the remaining balance of the original grant for the Rattler as well as the \$600,000 from the previous Royalties for Regions program upon confirmation of the Works for Queensland funds. This then meaning that the project is fully funded.
Council understands that an appropriate funding agreement will need to be entered into.
Regards
Bernard

Bernard Smith
Chief Executive Officer

Gympie Regional Council
242 Mary Street (PO Box 155)
Gympie Qld 4570
(07) [REDACTED]
bernard.smith@gympie.qld.gov.au
www.gympie.qld.gov.au

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QRA REF	Unique project number	Region	Council	Project title	Project category	Project description	Jobs supported	Jobs created	Address	Latitude	Longitude	Region (IPO SA4)	State Electorate	Federal Electorate	W4Q project budget (GST Excl.)	Total approved allocation	The project is maintenance and/or minor infrastructure works to assets owned or controlled by the council	Is the project already funded in the applicant's 2016-17 capital works program/budget?	Project costs are eligible under W4Q guidelines	The project creates and/or supports local jobs	The project is new minor infrastructure works	The project is new maintenance works	The project extends/depends on the applicant's current maintenance or works programs (i.e. being	The project will be completed by 30 November 2017	Regional evaluation	QRA Comments	Interdepartmental panel evaluation	Comments	Panel Details	Comments for DDOs
W4Q.710	GyRC W4Q.01	Southern	Gympie Regional Council	Mary Valley Heritage Rail (The Valley Rattler) Infrastructure	Economic development	W4Q funding for this project will be a share of the \$10.8M budget required to deliver infrastructure improvements to replace, restore and remediate Mary Valley Heritage Railway track infrastructure, rolling stock, bridges and buildings. This will ensure Railway is able to operate sustainably and provide an excellent level of service and experience for all visitors. Construction will support and create jobs in civil engineering, commercial construction, design and project management.	7	15	Gympie	152.674295	-26.186204	Wide Bay	Gympie	Wide Bay	\$ 4,700,000.00	5,900,000	Yes	No	Yes	Project creates and sustains local jobs	No	Yes	Yes	Yes	Compliant	Compliant	7Council assets - rolling stock, track (PPP), Timeframe? (F&F)The council is waiting on written confirmation from Queensland Rail that tenure has been transferred to it for the track and rolling stock. The council has advised this project is to be given top priority to complete within the designated timeframe. BT would like to discuss \$4.7M for the Mary Valley Heritage Rail - Business case, recent history, additional funding that will still be required (PPP/Business Case provided and contacts for DSD (other State funding) provided BT Confirm status of business case with DSD, and tenure issues with TMR Panel is concerned with project and was not able to confirm as compliant based on information available. NOTE: DSD has provided funding for business case and is supportive of the business case subject to recommended actions being taken, the state has provided \$2.8M to the project to date. Council has allocated \$1.8M to the project and set up a related company to progress the project. Ownership of the land/lease executed confirmed and approved in brief MBN17005.		Funding for the project is as follows: \$1.7million from a previous State allocation, W4Q funding of \$4.7 million and the balance to come from the Council's own contribution.BT	
W4Q.711	GyRC W4Q.02	Southern	Gympie Regional Council	Gympie River to Rail Trail	Economic development	This project provides funding for the staged construction of a River to Rail recreation trail on the Mary River in Gympie. Construction of pathways, viewing decks, interpretive signage and wayfinding devices to allow for easy walking through ecologically rich areas. Construction will support and create jobs in engineering, construction, design and landscaping. This project forms part of Gympie Regional Council's adopted Corporate Plan.	6	7	Gympie	152.669566	-26.183360	Wide Bay	Gympie	Wide Bay	\$ 600,000.00	5,900,000	Yes	No	Yes	Project creates and sustains local jobs	Yes	No	Yes	Yes	Compliant	Compliant			Gympie has advised the detail design of this project will be completed much earlier in the year, however, it currently has a number of projects being delivered which it anticipates will all be completed by end of June 2017. This project is scheduled to be commenced ASAP after that date. Gympie also advised the timeframes it has identified on the listing for the project is the worst case scenario as it considers the project will be completed earlier than stated.BT	
W4Q.712	GyRC W4Q.03	Southern	Gympie Regional Council	Mary Valley Recreation Hub (Imbil Township)	Economic development	This project will fund a stage of the Gympie region's Canoe and Kayak Strategy and potentially provide upgrades to Imbil railway station. This project also forms part of Gympie Regional Council's adopted Corporate Plan. Works in Imbil will complement planned infrastructure projects, contributing to Imbil becoming a true recreation hub for the Mary Valley and achieving economic and social outcomes. Construction will support and create jobs in engineering, construction, design, landscaping and recreation planning.	5	5	Yabba Rd MBIL	152.676342	-26.459643	Wide Bay	Gympie	Wide Bay	\$ 300,000.00	5,900,000	Yes	No	Yes	Project creates and sustains local jobs	Yes	Yes	Yes	Yes	Compliant	Compliant	Check the asset ownership. (treasury) Council owned assets.BT		Gympie has advised the detail design of this project will be completed much earlier in the year, however, it currently has a number of projects being delivered which it anticipates will all be completed by end of June 2017. This project is scheduled to be commenced ASAP after that date. Gympie also advised the timeframes it has identified on the listing for the project is the worst case scenario as it considers the project will be completed earlier than stated.BT	
W4Q.713	GyRC W4Q.04	Southern	Gympie Regional Council	Goomeri - Our Towns	Economic development	W4Q funding will fund a stage in the Council endorsed Our Towns - Sustainable Centres Program initiative. This project incorporates the detailed design and construction of capital streetscape improvements in the Goomeri Township. The works will improve the quality, condition and lifespan of Goomeri's streetscape and park provide formalised vehicle access and upgrading of footpaths to assist in better defining the local centre and provide better connections to the local centre. Construction will support and create jobs in engineering, construction, design and landscaping	5	5	Goomeri	152.070075	-26.181671	Wide Bay	Callide	Wide Bay	\$ 300,000.00	5,900,000	Yes	No	Yes	Project creates and sustains local jobs	Yes	Yes	Yes	Yes	Compliant	Compliant	What is the asset and does council own it?The council confirmed the project is on Council Road Reserve.BT		Gympie has advised the detail design of this project will be completed much earlier in the year, however, it currently has a number of projects being delivered which it anticipates will all be completed by end of June 2017. This project is scheduled to be commenced ASAP after that date. Gympie also advised the timeframes it has identified on the listing for the project is the worst case scenario as it considers the project will be completed earlier than stated.BT	

Melissa Burow

From: Bob Torenbeek <Bob.Torenbeek@dilgp.qld.gov.au>
Sent: Thursday, 16 February 2017 11:18 AM
To: Kim Mahoney
Cc: Darren Foster; Adrian Tantari
Subject: FW: Rattler Project
Attachments: D16 14453 Final - Revitalising the Valley Rattler - Business Case - 24pdf

Hi again Kim

Please find below email from the Council's CEO and the attached Business Case.

Regards
Bob

Bob Torenbeek

Advisor

Department of Infrastructure, Local Government and Planning

Level 3, 12 First Av Maroochydore QLD 4558

p. 07 5352 9712 | m. Refused under section 477 | e. bob.torenbeek@dilgp.qld.gov.au

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From: Bernard Smith [mailto:Bernard.Smith@gympie.qld.gov.au]

Sent: Monday, 23 January 2017 8:18 AM

To: Bob Torenbeek

Subject: Rattler Project

Morning Bob, the total spend is approximately \$\$10.5M and would be funded from

-Previous State allocation, \$1.7M

-Council, \$3.8M

-W4Q, \$5M

Works are for the restoration of the track, some refurbishment of bridges, rolling stock works and building refurbishment.

Council has put significant funds into keeping the project going to date and would fund operational start up costs.

Attached is the original business plan, note that it has had some minor changes since it was prepared.

Note also the economic analysis indicating it will support significant ongoing economic activity.

Council is negotiating to obtain tenure of the required sites from QR and no problems are anticipated with regard to this.

We just need to check that status of the ownership of the track however I assume the matter of the funding being for assets owned by Council

was more about ensuring funds were not spent on private assets as opposed to those owned by government agencies. Notwithstanding this

that can be resolved.

Happy to talk further

Regards
Bernard

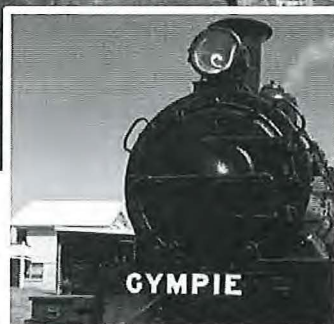
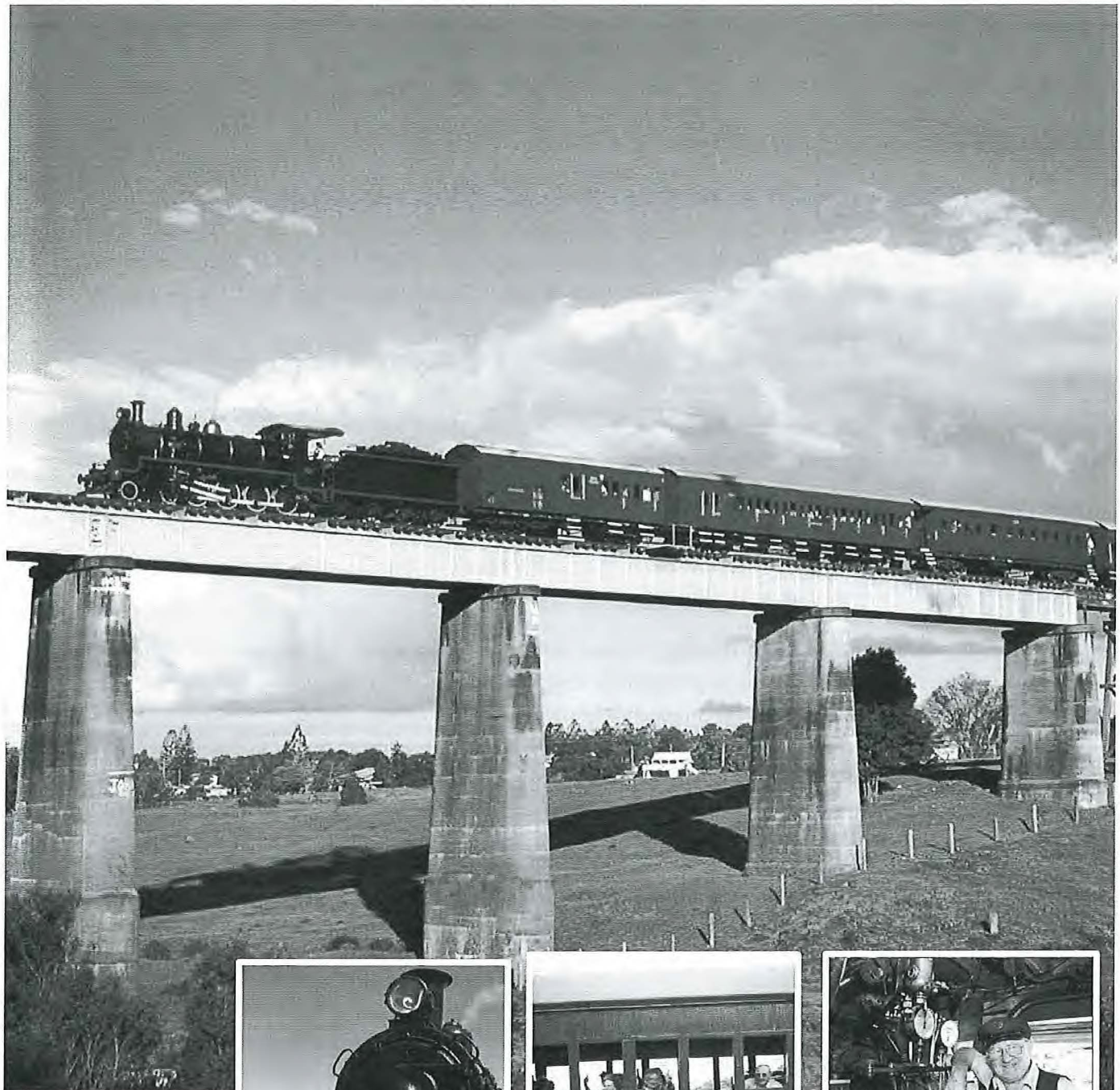
Bernard Smith
Chief Executive Officer

Gympie Regional Council
242 Mary Street (PO Box 155)
Gympie Qld 4570


bernard.smith@gympie.qld.gov.au
www.gympie.qld.gov.au

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Revitalising the Mary Valley Rattler Heritage Railway (The Valley Rattler)

Business Case

24 March 2016



EARTHCHECK

Executive Summary

The Mary Valley Rattler Heritage Railway (The Valley Rattler) was an icon of the Gympie region from 1998, providing a 43 kilometre heritage rail experience from Old Gympie Station to Imbil. In October 2012, the Mary Valley Heritage Railway Museum Association Inc. (MVHRMA) ceased operation of the Valley Rattler when its accreditation was revoked by the Rail Safety Regulator (Department of Transport and Main Roads) following two minor derailments.

Original operational issues

Previous poor governance arrangements and asset management of the Valley Rattler have been cited as the key factors in the Valley Rattler being served the prohibition notice in 2012.

Remedy for operational issues

In April 2014, Gympie Regional Council (GRC) took steps to remedy the governance issues by establishing two not-for-profit entities, which are wholly owned and underwritten by GRC. They are:

- Mary Valley Railway Community Holdings Limited (MVRCH) - created as the business asset holding company governed by a board comprised of three directors; the currently sitting Mayor of the GRC, the current elected State Member of Parliament and the Chief Executive Officer of GRC.
- Rattler Railway Company Limited (RRC) – created as the business trading company and governed by a board of four directors appointed from Gympie and the wider region, with skills and experience in tourism, business and heritage rail. The board is comprised of the Chair, Company Secretary and two directors appointed by MVRCH.

This governance structure has reshaped and refocused the Valley Rattler from a heritage railway enthusiast venture to a regional tourism attraction run as a business to generate ongoing economic benefits for the region.

The second issue of asset management will only be resolved through significant capital investment in the replacement of all track sleepers and remediation of the existing bridges and crossings as part of the project funding. This eliminates significant annual track maintenance costs from the ongoing operational budget and as a consequence, sets the business solution up to become sustainable. An ongoing asset management plan will be a requirement of full accreditation by the Rail Safety Regulator.

Regional influence of the Valley Rattler

Since the closure of the Valley Rattler in 2012, local businesses have reported a reduction in visitor numbers and the loss of this key attraction for the region has exacerbated unemployment in Gympie, which sits 4% higher than the State average at 10.3% (DEEWR – June 2015). Financial support for revitalising the Valley Rattler will secure a future for this iconic tourist attraction and provide ongoing small business opportunities, with a strong projection of job creation during both the construction and operational stages.

Opportunities in the Sunshine Coast Region Tourism Market

The Sunshine Coast Region is experiencing growth in both the domestic and international visitors market, with a 4.2% annual increase in visitor numbers for the year ending June 2015. The average length of stay for domestic visitors is 3.2 nights, while the average length of stay for international visitors is 13.9 nights. The Valley Rattler can capitalise on this market by providing a new experience to those looking to spend time in the region. A short drive to Gympie will provide a pleasant escape from the beach and an opportunity to experience the country inland.

Objective

In May 2015, the Queensland Government confirmed a funding commitment of \$2.6 million for capital works to recommission the track and repair existing rolling stock, subject to the acceptance of a robust business case.

This business case was prepared by EarthCheck and is not focused on simply getting the Valley Rattler up and running again; but is centred on the investment required to establish a sustainable business model. Three possible solutions were investigated in detail, specifically:

- 1) Trips from Gympie to Amamoor;
- 2) Trips from Gympie to Monkland; and
- 3) Termination of the Valley Rattler.

Initial investigations confirmed that re-establishing the track from Gympie to Imbil would be cost prohibitive and following discussions with all stakeholders, it was decided the key objective should be to focus on a solution to re-establish operations of the Valley Rattler to Amamoor with a long term aim of repairing the remaining length of track, subject to the availability of funding. It is noted that the existing track from Amamoor to Imbil can be used to run a rail motor extension to the journey, should there prove to be a business need, once the main venture is established.

The business case has been prepared in close consultation with the RRC, MVRCH, and GRC. It has also received stated support from the Gympie community. The business case was supported by technical advice provided by GHD (the government's independent industry consultant), Department of Transport and Main Roads (DTMR), Queensland Rail (QR) and the Department of State Development (DSD).

Option 1: A trip from Gympie to Amamoor

This option requires \$10.6 million upfront investment and is projected to return a profit after three years, demonstrating the potential for long-term sustainability. Although it does not travel as far as the original vision of the MVRHC, it travels the furthest distance of the options, at 22.9 kilometres, and takes approximately two hours to complete the proposed return journey.

This option involves operating an initial service 3-4 days a week and is the most similar to the previous heritage line experience. The base revenue is founded upon conservative figures of 20,000 visitors in the first year of operation. In the year the previous railway company ceased operations, it was recorded that 28,000 visitors used the railway.

The initial capital required during the construction phase is estimated to directly support around 30 FTE jobs. After recommencing operations visitor expenditure coupled with on train employment and small ongoing capital expenditure, is projected to support an average of 29 FTE jobs over the next 10 years.

Option 2: A trip from Gympie to Monkland

This option requires \$3.4 million upfront capital expenses but will continue to run at a loss for the projected period of 10 years. The trip from Gympie to Monkland is 3.8 km and is a maximum of one hour in length for the return journey. This option involves operating two services, seven days a week with the potential to increase frequency and is based on 18,000 visitors in year 1.

This option allows for the line to be extended to Amamoor in the future, subject to the availability of funding.

The initial capital stimulus required for the project during the construction phase is estimated to directly support around 15 FTE jobs. In the first operational year, visitor expenditure coupled with on train employment and small ongoing capital expenditure is estimated to support around 24 jobs in the region.

It should be noted that consultation with Queensland Government representatives, RRC, and MVRCH indicates that the short distance of 3.8 kilometres would lack appeal for many people considering the length of the drive from Brisbane to Gympie. It is very likely any appeal will be lost in a short space of time and result in a poor outcome for the community overall.

Option 3 – Termination of the Valley Rattler

Termination of the Valley Rattler considers two scenarios:

Scenario 1 - Upfront costs of approximately \$300,000 for complete removal of the existing track and bridges. This scenario also includes ongoing annual vegetation maintenance costs of approximately \$75,000 per annum.

Scenario 2 - Ongoing costs of approximately \$185,000 per annum for maintenance of the existing track to a standard that would not further depreciate the asset – includes basic vegetation management, bridge maintenance and nominal heritage building maintenance.

It should be noted that Scenario 1 will remove the existing track and extinguish all community hope of having the Valley Rattler re-establish in the future. It is likely to cause great distress within the community and negative social impacts. In either of these Scenarios (1 or 2), DTMR will continue to hold the rail corridor as Head Lessee. Termination of the Valley Rattler offers no positive financial benefits to the Queensland Government in relation to disposal of the corridor and is likely to further hinder economic development in the region.

Recommendation

Robust investigations have established that investment in revitalising the Valley Rattler from Gympie to Amamoor is the recommend option, based on the positive economic and community outcomes. Furthermore, the government's commitment will help to secure the long term future of this valued heritage attraction.

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1 Introduction

1.1 What's this about?

The Mary Valley Rattler Heritage Railway (The Valley Rattler) was an icon of the Gympie region from 1998, providing a 43 kilometre unique heritage rail experience in the heart of Gympie and the scenic Mary Valley from Old Gympie Station to Imbil until its closure in 2012. After 14 years of operation, the Rail Safety Regulator determined that there was insufficient forward investment and planning demonstrated in the railway's infrastructure monitoring and maintenance. The closure followed two minor derailments which highlighted the poor condition of some sections of the heritage track (originally built in 1914), and the operator's lack of an appropriate maintenance program for both track and rolling stock.

Since closing in 2012, volunteers of the Valley Rattler have been working towards sourcing external funding to help revitalise the heritage railway. Every year of delay in deciding on the future of the Valley Rattler results in higher cumulative maintenance costs in the long term as already deteriorated sections of track fall into further disrepair.

This document presents a business case for investment in the Valley Rattler track and rolling stock to help revitalise it as one of Australia's iconic tourist rail experiences. The business case is built on the premise of targeting the short break and day trip market, offering the opportunity for visitors to enjoy the thrill of a rail journey without the commitment of a long 43 kilometre journey (one-way) being the original Valley Rattler journey between Gympie and Imbil.

The ultimate aim of the Valley Rattler operational model presented in this document is to target those visiting the region and provide them with a value-added experience which harnesses the economic benefits the visitors bring to the region.

Key aspects of the operational model assessed in this document include the addition of signature events and a hero experience to breathe new life into the previous operating model. To be sustainable, revitalising the Valley Rattler will need strong governance and management, yearly capital re-investment for preventative maintenance and an ongoing marketing budget to attract new markets and reach a broader audience.

The unemployment rate in the Gympie region was 10.3% in the March quarter 2015, higher than that of Queensland (6.2%) (DEEWR - June, 2015). The economic flow-on from the Valley Rattler would provide a stimulus to boost the local economy and support job creation. Investment in the Valley Rattler will help generate on-site spend as well as direct and indirect expenditure within the Gympie region.

1.1.1 Vision

The vision is for the Valley Rattler to commence passenger train services in a sustainable manner, reviving this exclusive tourist attraction for the greater economic good of the Gympie region.

1.2 What's the background?

1.2.1 The Original Journey

The original Valley Rattler journey travelled between Gympie and Imbil, a 43km journey passing through the townships of Monkland, Dagon, Amamoor and Kandanga. The journey commenced from Old Gympie Train Station, which is 101 years old and holds heritage significance for the community and for the history of rail and architecture in Queensland. The Old Gympie train station is featured as a key component of the operating models assessed in this document and complements the heritage rail journey.

1.2.2 Historic Performance of the Valley Rattler

Prior to cessation of services in 2012, the Valley Rattler provided a heritage rail experience recording between 25,000 and 35,000 passengers annually. The Valley Rattler welcomed 33,159 passengers in 2008-2009, followed by 30,812 in 2009-2010 and 25,153 in 2010-2011 (Rattler Railway Company). The decline in passenger numbers has been attributed to a lack of investment in ongoing marketing by the previous managers, the Mary Valley Heritage Railway Museum Association (MVHRMA). The Valley Rattler rail line is shown below in red (Figure 1).



Figure 1. The Valley Rattler Rail Line

In 2011, the Valley Rattler provided 25,153 visitors a distinct heritage rail experience in the heart of the Mary Valley. Of these visitors 95% were domestic and 5% International. In 2009/10, the Valley Rattler generated \$1.03 million in income of which \$890,718 was spent locally. A further \$424,000 flow-on was generated supporting 22.7 jobs in the local economy.

The domestic visitor market in 2011 was largely represented by both local residents (15%) and Queensland residents (68%) while interstate visitors accounted for 12% of all passengers (Figure 2). According to a visitor survey conducted in 2012, 25% of visitors participated in a half day journey and 75% opted for the full day journey.

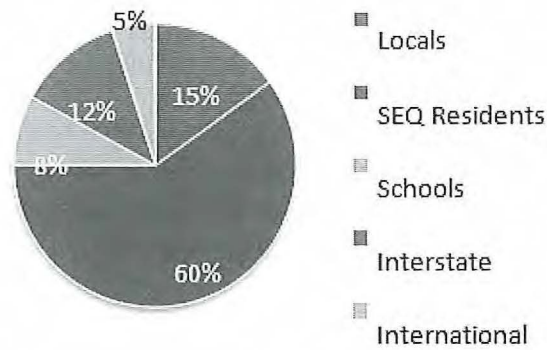


Figure 2. Valley Rattler Visitor Origin

1.3 What are the issues?

1.3.1 Condition of the Track and Bridges

A walking visual inspection of the Valley Rattler rail corridor between Gympie and Imbil was conducted by GHD in September 2015. Refer to **Appendix A** for the Valley Rattler line diagram. The inspection report identified that repair of the track between Gympie and Amamoor would cost approximately \$7 million and \$897,000 for repair work to the bridges in the same stretch of railway. Overall, the bridges appear to be in good condition and several are maintained by Gympie Regional Council.

1.3.1.1 Gympie to Monkland

This section of track is in especially poor condition and it is suggested that this portion should be completely replaced. New sleepers along this 3.8km stretch will provide a track that is safe and reliable which is of key significance as this section may be the most heavily used. The high level of use should be considered when selecting sleepers. It is recommended to use a material other than timber for this section. This section features the iconic Deep Creek Bridge.

1.3.1.2 Monkland to Dagun

This section is 16.195km in length and there are no stations between the two locations. This presents an obstacle in that the entire section would need to be completed before the track could be used. The GHD report suggests steel sleepers for this section as the existing timber sleepers have significantly deteriorated and concrete are liable to crack due to the sand and ash ballast.

1.3.1.3 Dagun to Amamoor

There are some land ownership concerns with the Dagun Station as the land to the west of the track is privately owned. This is the shortest section of the track, 3km, and the Amamoor station contains a loop and a turntable as well as facilities for local markets. It is suggested that steel sleepers be installed as with the other sections of the track.

Further information on track repairs and replacement is provided in **Appendix B**.

1.3.2 Rolling stock

As per the rolling stock asset register, the basis of tenure for the majority of locomotives and carriages is a lease to MVHR. The majority of rolling stock and assets have already been transferred to Rattler Railway Company Limited (RRC) under an Agreement between RRC, Mary Valley Railway Community Holdings (MVRCH) and MVHRMA on 7 August 2014. A total of one locomotive and eight carriages has been identified as being critical to start-up.

It is considered that the locomotive is best refurbished by QR at a cost of approximately \$785,000 and would not be complete until early 2018. In the interim QR have advised that they will lease a similar operating locomotive to the RRC, the cost of which is now included in the operational expenditures.

Three of the eight carriages belong to QR these will be refurbished at their expense and leased back to the RRC. The cost for this has now been included in the operational expenditures. The remaining five carriages belong variously to the RRC and private individuals. These will be refurbished using volunteer labour at the Gympie workshops for an estimated cost of approximately \$50,000 for materials.

The boiler in the locomotive is expected to have an effective service life in the order of 35 years. Annual general maintenance of rolling stock is estimated to be \$50,000 in addition to \$28,000 for boiler depreciation bringing the total to \$78,000.

1.3.3 Old Gympie Station

The Old Gympie Train Station is 101 years and holds heritage significance for the community and for the history of rail and architecture in Queensland. The Old Gympie train station is featured as a key component of the operating models assessed in this document and complements the heritage rail journey. While the buildings are generally sound, age and deferred maintenance have taken their toll and will require attention prior to recommencing railway services. An opportunity exists to transform the station from its current state and turn it into a hall available for special events which doubles as a café and a stationary museum during the operation of railway services.

A major renovation would be required for commercial food handling activities, including a complete strip out and re-fit of the current kitchen to current construction standards so as to lend itself to catering companies and organized events that require the provision of meals. Proposed renovations would also include the exterior façade, installation of shelter for the locomotives and railcars while parked, dining hall, dedicated café space, space for retail and merchandise, offices and a model train room for children. Refer to **Appendix C** for further information on the Old Gympie Station including building compliance issues and proposed station layout.

1.3.4 Governance

Previous poor governance arrangements and management of the Valley Rattler historically has been cited as a key factor in the Valley Rattler being served the prohibition notice in 2012. Moving forward, effective governance and management of the preferred operating model will be critical to the long-term sustainability and viability of the Valley Rattler.

Previous governance and management concerns have been remedied through the Gympie Regional Council's establishment of the Holding Company (Mary Valley Railway Community Holdings Limited) and the Trading Company (Rattler Railway Company Limited) in April 2014.

The Mary Valley Rattler Community Holdings Limited is the Asset Holding Company and comprises three directors: the Mayor, Local Member and CEO of Gympie Regional Council (position based appointments). The RRC is the Trading Company and has four directors: Deputy Chair, Public Officer, Company Secretary and a Director. The RRC is a skills based board with travel, tourism, business, employment and heritage rail experience appointed from the Gympie and Wider Communities.

This governance structure has reshaped and refocused the Valley Rattler, bringing it from a heritage railway enthusiast domain to a focussed regional tourism attraction run as a business creating ongoing economic development for the region.

1.4 What was the Business Case Methodology?

There are three options being considered for the revitalisation of the Valley Rattler:

Option 1 - Longer trips from Old Gympie Station to Amamoor

Option 2 - Short trips from Old Gympie Station to Monkland

Option 3 - Termination of the Valley Rattler

These scenarios are detailed further in this report, including the 10 year projections of capital and operating costs, revenue generation and resulting cash flow for high, medium and low revenue generation business models (based on conservative visitor numbers when compared to historical Valley Rattler operating data). The operating models offer a mix of rail and heritage experiences and a variety of revenue streams to eliminate reliance on one market or one experience.

1.5 Case studies

An investigation into the operations of other heritage railway tourist operations demonstrates that despite the majority of operations running at a loss, they all contribute to job creation in their communities and provide a boost to economic development.

1.5.1 Puffing Billy, Victoria

In 2014, total expenditure for the railway was \$9.4 million while the total income was only \$8.8 million. It has run at a loss since 2011. It attracted 394,672 visitors in 2014 with an estimated annual contribution of \$49.4 million to the Victorian economy.

1.5.2 Severn Valley Railway, United Kingdom

Attracts approximately 250,000 visitors per year and generates £5.4 million in value for the regional economy. The railway is run by 1,300 volunteers and only 70 paid staff who are responsible for administration, commercial activities, track and rolling stock maintenance.

1.5.3 Kuranda Scenic Railway, Far North Queensland

Attracting approximately 340,000 visitors in the 2013- 2014 financial year, the railway sees a high proportion of international visitors. The majority (75%) are from Japan, China, Germany, United Kingdom, France, United States and New Zealand.

1.5.4 West Coast Wilderness Railway, Tasmania

The West Coast Wilderness Railway (WCWR) in Tasmania was opened as a tourist train in 2002 and runs between Queenstown and Regatta Point.

Due to a need for infrastructure investment, reduced demand, and a downturn in visitor numbers, the track was to be closed in April 2013. In 2012-13 the Australian Government committed \$6 million to fund capital, maintenance and operational activities on the WCWR for use until 2016-17. This funding has been complemented by the provision of additional support by the Tasmanian Government for the implementation of capital works and the maintenance of the Railway's operations.

Passenger and freight services were suspended during 2013 allowing for infrastructure maintenance and capital improvements to be undertaken. The track opened again in December 2013 and the WCWR was re-opened for business in January 2014. Since 1 May 2014 the WCWR has been managed by the Railway Ministerial Corporation.

The project was included in the Department of State Growth Annual Report for 2014/15, with a grant paid to WCWR of \$5,409,008.

Further information on the case studies is provided in **Appendix D**.

1.5.5 Creative Funding Schemes

Heritage railways in the United Kingdom receive funding from a variety of creative funding schemes. One prime example is the North Yorkshire Moors Railway in the UK. In 2013, their application for £800,000 from the Coastal Communities Fund for major development work at Whitby station was successful. A total funding package of £1.4 million had been secured for major improvements to the station, including a £500,000 contribution by Network Rail to recreate a second track and platform. The Coastal Communities funding also provided an opportunity for an additional £100,000 for heritage improvements from the Railway Heritage Trust. The creative funding model could be investigated for the Valley Rattler.

1.6 What is the preferred business model?

1.6.1 A New Focus

The intent of the Valley Rattler business model is to develop key partnerships that help drive visitation growth through special events and premium experiences. Ultimately, the operation would experience sustainable growth due to ongoing product development initiatives. The Valley Rattler could now be regarded as a venue, not solely a moving journey, and thus reserving the train for stationary experiences at the Gympie Station by the public is one opportunity not previously available.

Focusing on the development of key experiences that attract visitors and generate brand awareness, the initial goal is to re-vitalise the Valley Rattler as a 'must-do' experience while in the region.

1.6.2 The First Year

The preferred scenario sees the journey begin in Gympie and travel through to Monkland initially. Replacement of the track between Gympie and Monkland would be priority so as to begin short trip services as soon as possible, enabling a revenue stream and staged approach to replacing the remaining track to Amamoor. The complete replacement from Gympie to Amamoor is estimated to take approximately 12 months.

1.6.3 Signature Events

Signature events will be necessary to attract visitors and establish the Valley Rattler as an exciting tourist activity. Opportunities to leverage existing annual events such as the Noosa Jazz Festival and the Gympie Muster provide a large market for theme train journeys. Other opportunities include a Santa train in December and continuing the legacy of Race the Rattler. A food train could capture a new market by appealing to those who seek a culinary experience and could market itself as the World's Longest Lunch. Bushranger Sundays has been on offer and could be reinstated on a monthly basis.

1.6.4 Premium Experiences

1.6.4.1 Driver's Experience

The Driver's Experience offer visitors the opportunity to stand up front with the driver and physically contribute to the work required to operate the steam train. This Driver's Experience is something unique to the Gympie Region that is not currently available anywhere else in Queensland. This experience will be available at a cost of \$200 and will take place for one direction of the journey, allowing the potential of two participants per journey. This product will only be available during the weekends on Steam Train Sunday and therefore there are only 52

days on offer per year. For those not willing to invest in the full Driver's Experience, a photo opportunity with the conductor will also be available for purchase.

1.6.4.2 Footplate Experience

The Footplate Experience is available for \$60 and has the passenger stand up front with the conductor but not participate in the operations of the locomotive.

This experience could be appealing to a broad audience as it is not widely available and is priced at an affordable rate. The Drivers Experience and Footplate Experience also provide a new and exciting opportunity for those who have already visited the Valley Rattler.

The provision of premium experiences and development of new annual events will help to freshen up the perception of the experience. These new products and experiences can help to establish the Valley Rattler as a key tourist attraction within the Sunshine Coast region.

2 Project Evaluation

2.1 Market assessment

This section of the report provides an overview of relevant market profiles and identifies the importance of the Valley Rattler to Gympie. The National Rail Visitor Market is analysed and accompanied by detailed analysis of the Sunshine Coast and Gympie Region visitor markets.

2.1.1 National Rail Visitor Market Rail Enthusiasts

Over a five year period, while trends show decreasing visitation at the national level, the visitor market that identifies with participating in tourist train activities during their trip is increasing for both Queensland and the Sunshine Coast Region (3). The below information is drawn from the Tourism Research Australia, National and International Visitor Survey (prepared by EarthCheck Consulting).

In terms of origin markets, international visitors are the most likely to participate when compared to domestic visitors (4). While historic visitor counts suggest international visitors merely accounted for 5% of all passengers on the Valley Rattler, this growing trend of international visitors participating in tourist trains signifies greater potential for the Valley Rattler to attract a higher level of international visitation. The five year trend shows an increase of 4% per annum for international tourists participating in tourist train activities. This market is increasing while the domestic market appears to have experienced a decline between 2011 and 2015. While this rail enthusiast market is of significance to the successful re-vitalisation of the Valley Rattler, it is also of paramount importance that other leisure markets are targeted and captured.

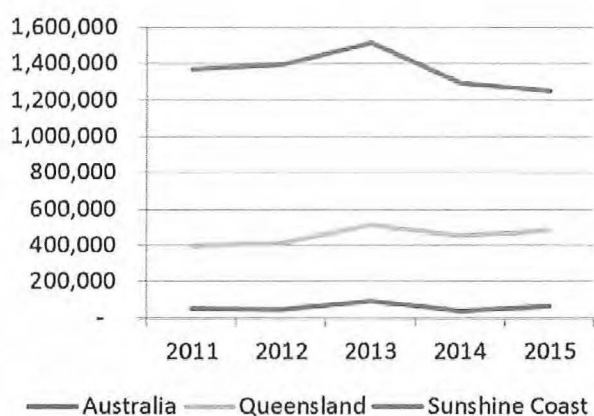


Figure 3. Visitors to Australia who Participate in a Tourist Train Activity

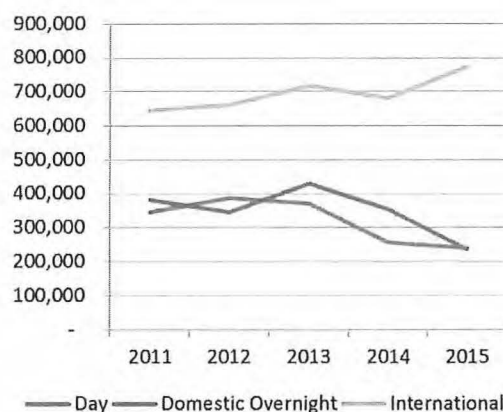


Figure 4. Tourist Train Activity (AUS) Participation by Tourist Type

2.1.2 Sunshine Coast Region Tourism Market

The Sunshine Coast Region has a population of over 350,000 and attracts over 8 million day and overnight visitors per annum for the year ending June 2015 (TEQ Sunshine Coast Snapshot YE June 2015). This was an increase of 3.4% from the previous year. Of these visitors, 2.9 million were domestic and 257,000 were international, contributing approximately \$1.9 billion to the local economy. The Sunshine Coast received 15% of all domestic visitors to Queensland, and approximately 12% of all international visitors in 2015. With participation by international visitors in tourist train activities seeing an increase in recent years there is a market for a tourist train activity in the Sunshine Coast or surrounding area (4).

Visitors to the Sunshine Coast can be further split into holiday visitors, visiting friends and relatives and business travel. Holiday travel to the Sunshine Coast accounts for 55% of domestic visitors and 76% of international visitors.

The Sunshine Coast Region is experiencing a growth in the domestic and international visiting friends and relatives market noting a 4.2% annual change (YE June 2015). Domestic overnight trips from visiting friends and relatives arrivals recorded a length of stay of 3.2 nights, while international visiting friends and relatives (VFR) visitors recorded an average length of stay of 13.9 nights. The Valley Rattler can capitalise on this market by providing a new experience to those looking to fill time in the region. A quick drive to Gympie will be a pleasant escape from the beach and one way to experience the nature inland.

These markets are significant to the Sunshine Coast and present a promising opportunity for the Valley Rattler. Marketing throughout the Sunshine Coast region could raise awareness to a potential market base that is more than double the size of that of Gympie. The leisure market is not likely to choose their destination based on the provision of a tourist train activity, rather, they would choose to participate in this activity as a value-added experience. The Old Gympie Station presents an opportunity to introduce a new conference and events space to the market mix. A refurbishment of the station, internally and externally, would enable the space to be hired out for functions and special events. This additional revenue stream provides an alternative source of income outside of the railway operating hours. This presents an opportunity for the Valley Rattler to capture a proportion of this market through effective advertising and educational events.

2.1.3 Gympie Region Tourism Market

The Gympie Region covers 7,000m² and is situated along Queensland's main north-south rail line boasting a resident population of approximately 48,000 as at 2013. Gympie is approximately 2 hours north of Brisbane and 40mins inland from the Sunshine Coast, situated in a prime position to draw day trippers from both Brisbane and the Sunshine Coast.

The Gympie Region received 873,542 visitors and just over 1 million visitor nights in the year ending June 2015. Visitors to the Gympie Region generated \$148.8 million dollars to the local economy and the primary reason for visiting was for a holiday. The average length of stay during this period was 3.4 nights (Tourism Research Australia, National and International Visitor Survey (prepared by EarthCheck Consulting).

International visitors account for 5.4% of all visitors to the Gympie Region, while domestic day visitors account for 62.1% and domestic overnight accounts for 32.5%. Of these visitors, 826,404 were domestic and 47,139 were international. Key international markets for the Gympie region include the UK, Germany and Scandinavia.

Overall visitation to the Gympie region has experienced a 2.7% annual decline from 2011 to 2015, while visitor nights also decreased, by 5.4% per annum, during this same period.

Domestic overnight visitors generated \$93 million in local visitor expenditure, followed by \$42 million in day visit expenditure and \$13 million from international visitors for year ending June 2015. The average spend per trip for domestic day trip visitors to the Gympie region is \$78.60, increasing to \$336.30 for domestic visitors who stay overnight. International visitors to the Gympie region spend an average of \$292.10 per trip, or \$76.00 per night (Figure 5).

While taking a daytrip to the Gympie Region, 136,000 Queensland visitors ate at a restaurant or café during their visit (YE March 2015). This presents an opportunity to leverage the market share and attract intrastate visitors to experience the food train events and MasterChef classes.

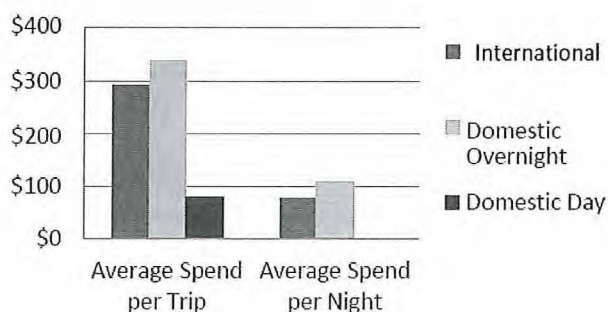


Figure 5. Average Spend in the Gympie LGA by Visitor Type

Rail enthusiasts present a small but important market for the Valley Rattler. People self-identifying as ‘rail enthusiasts’ are passionate about trains and are highly likely to plan a holiday around a tourist train activity such as a heritage rail experience. This market would be keen to support the Valley Rattler and would travel from across the country to experience the journey.

As with many niche markets, rail enthusiasts are well connected and an engaged group of individuals. They are likely to become repeat visitors and raise awareness through their social networks.

2.2 Assumptions

2.2.1 Revenue Assumptions

Revenue streams that have been identified for the Valley Rattler include value-added opportunities and the development of new premier events. The revenue streams include:

- Ticket Sales
- Café & Retail Recovery
- Driver’s and Footplate Experiences

- Tourist Photo Opportunity
- Theme Trains
- Workshop Tours
- Model Train Room
- Buy A Sleeper
- Conference & Events space

Revenue assumptions have been applied to high, medium and low scenarios for a number of the below revenue streams. The revenue assumptions are summarised below and detailed in **Appendix E**.

2.2.1.1 Ticket Prices

Establishing a ticket price that is appealing to visitors and offers good value will be critical to attaining the visitor forecast. Ticket prices for the one-way and return journeys in both scenarios were calculated with the historic prices in mind. Prices of entry to the following similar experiences helped determine the base ticket price:

- Launceston Inclinor (one-way \$12 adult, \$8 child);
- Kosciuszko Chairlift at Thredbo (one-way \$29 adult, \$15 child); and
- Sydney Monorail (\$5 adult).

The assumption applied to all ticket revenue is that 75% of passengers purchase return tickets and 25% purchase one-way tickets, as identified in the RRC Business Plan (July 2015). The base ticket price is intended to stay the same for the first three years of operation. This will then increase as per the Consumer Price Index (CPI %) from year 4 onwards. **Appendix E** summarises the assumptions applied to the ticket prices for short trips from Gympie to Monkland and longer trips from Gympie to Amamoor. A resident discount in the second year of operations may encourage greater participation from locals and is worthy of consideration.

Assumptions applied to the High, Medium (base figures used for costings - conservative when compared to historical visitor data) and Low scenarios for passenger numbers for Gympie to Monkland and Gympie to Amamoor are provided in **Appendix E**.

2.2.1.2 Café and Retail Recovery

With the Gympie Station refurbishment complete, a new café will be critical to creating an enjoyable experience for all visitors. The revenue calculations are based on an average café spend of \$4.50 with 25% of passengers making a purchase. Direct cost of sales are factored in at 60% of the projected revenue. Retail merchandise will be available for purchase to help visitors commemorate the experience. The calculations are based on an average spend of \$2.28 with 25% of passengers making a purchase.

2.2.1.3 Driver's and Footplate Experiences

The price identified for both Driver's and Footplate Experiences (\$200 and \$60) were developed based on market research.

Prices of similar experiences were considered, along with the length of the journey provided, annual visitors and population nearby. Also taken into consideration were the following unique driver experiences available in Queensland:

- V8 Race Car Drive (\$99);
- Race Car Drive (\$99);
- Ride on a Tank (\$60);
- Rally Driving (\$115);
- Learn to drive a Helicopter (\$249); and
- Learn to fly a plane (\$162).

The model accounts for a 20% conversion rate. The drivers experience will only be available on Sundays and therefore there are only 52 days a year where this revenue can be generated. Both experiences will need to be undertaken prior to visitors boarding the train based on Queensland Government legislative requirements.

2.2.1.4 Tourist Photo Opportunity

Tourist photos present an added revenue stream for passengers looking to capture a memory of the experience. The photos are priced at \$15.00 and a conversion rate of 15% is assumed. As this will require a photographer, cost of sales is calculated at 60% and thus the revenue accounted for is 40% of the total calculations.

2.2.1.5 Theme Trains

One of the new experiences provided by the Valley Rattler will be the development of theme trains. Revenue calculations are based on six annual theme trains with a capacity of 200 passengers. It is assumed these trains will experience annual growth of 2% and tickets will be \$45.

2.2.1.6 Workshop Tours

The ability to offer tours of the workshops to the public is an added opportunity. It is assumed that the tours will be available at a cost of \$8.00 and that 20% of all visitors will participate in this experience.

2.2.1.7 Model Train Room

The existing model train room at Old Gympie Station has wide appeal and potential to generate new income. Relocating the model train set into a dedicated room will allow for control of entry upon payment of a \$2.00 fee. A conversion rate of 15% is assumed for the revenue modelling.

2.2.1.8 Buy a Sleeper

The development of a marketing campaign aimed at generating additional funding by way of fundraising within the local community is accounted for in this business case. The Valley Rattler has exhibited strong community support (letters of support from the community provided in **Appendix F**), and therefore the modelling accounts for 150 sleepers for Option 2 and 1,500 sleepers for Option 1, both being sold at a price of \$50.00 generating a total of \$7,500 - \$75,000 that can be used towards start-up costs.

2.2.1.9 Conference & Events Space

Upon a transformation of the Gympie Station, it is possible to generate new income by renting the space to conferences and events. For the purpose of this business case, the calculations accounted for 15 events hiring the space at a cost of \$500 per event.

2.2.2 Operating Assumptions

It is assumed that the leases on Tozer Street carpark, the Chapple Street workshops, Monkland Station and any corridor infrastructure cost will come to no more than \$47,450 (conservative assumption) in the first year followed by an incremental rise each year out.

A 5% contingency has been applied to operating costs. A value-added amount of 55% has been applied to the direct value of operating and capital costs.

It is assumed there are vegetation management costs associated with Option 2 (Gympie to Monkland) at a value of \$45,000 per annum. This has been included in Option 2 to give the opportunity to build the Monkland to Amamoor track in future years.

Moving forward with either of the two scenarios presented subsequently operates with the following assumptions:

- The Gympie station becomes an attraction in its own right;
- The 2016 capital investment should aim to reduce operating costs (lowest maintenance model);

- The operating model must cover reinvestment in capital (including replacement of the steam locomotive boilers, which have a 35 year conservative depreciation);
- While the current track runs to Imbil, this is beyond the reach of the operating model to maintain;
- There is a need to broaden the target market from just 'rail enthusiasts' to create an experience that appeals to the market travelling to Gympie and the Sunshine Coast.

2.3 Capital Costs

As a key input to business model preparation, it was essential to identify and quantify all capital and operating costs. Figures used in calculations were sourced from multiple reports to help form the most accurate picture of the first 10 years including an Infrastructure Condition Assessment and Costs (GHD, 2013; GHD, 2015), Economic Value Assessment (EarthCheck, 2014), Business Case (Rattler Rail Company, 2015; Rattler Railway Company, 2014), Analysis of the Proposed RRC Business Plan (Linqage, 2014), and Draft Plan for Sustainable Operations (Linqage, 2014).

Immediate and ongoing capital expenses include the following items:

- Track
- Bridges
- Rolling stock
- Boiler depreciation
- Land and infrastructure
- Building and maintenance

Complete capital expenses required to bring the operation to working order from Gympie to Amamoor are approximately \$10.3 million. Following the investment needed to bring the railway into working order, the operating expenses for the first two years of operation will be less than the revenue (-\$261,741 combined operating cost shortfall for year 1 and 2 of operation). Revenue from year 3 onwards will be sufficient to cover operating costs, with a total profit for year 3 to 10 of \$315,076, sufficient to cover the revenue shortfall for the first two years of operation.

For the track, Option 1 uses steel sleepers from Gympie to Amamoor to reduce ongoing maintenance costs. This will help the longevity of the track and has a significant improvement on lifespan when compared with timber sleepers. While timber is more attractive with a lower start-up cost, the continuous maintenance and sleeper replacement is likely to impose cash flow restraints.

2.4 Operational Costs

Immediate and ongoing operational expenses include the following items:

- Wages
- Marketing
- Leases
- Insurance
- System Software
- Utilities, Power & Phone
- General Expenses
- Cost of Coal
- Direct Cost of Sales

The operational expenses required to bring the Valley Rattler to full working order from Gympie to Amamoor amount to approximately \$1,094,461 in year one then rise as visitor numbers increase. This accounts for a 5% contingency.

The cost of coal used for report calculations is \$135 per tonne. RRC reported two trips a day to Amamoor would use 3 tonne of coal, at a cost of \$360. Diesel costs, for the locomotive and the section cars accounted for 50% of the coal cost at approximately \$608 for each day in operation. Start-up time and the amount of carriages attached are variables.

2.5 Regional Economic Impact Assessment

The Office of the Chief Economist, Department of State Development was engaged to conduct a regional economic impact assessment of the Valley Rattler based on the preliminary figures provided by the Rattler Rail Company and EarthCheck. The assessment focuses on estimating the direct regional economic impacts for two operating scenarios, being the same as Option 1 and Option 2 detailed below. Some key findings of this assessment are provided in the option analysis in **Section 2.6**. The report is attached as **Appendix G**.

2.6 What are the Options?

There are three options being considered for the revitalisation of the Valley Rattler:

Option 1 - Longer trips from Old Gympie Station to Amamoor

Option 2 - Short trips from Old Gympie Station to Monkland

Option 3 - Termination of the Valley Rattler

These scenarios are detailed further in the following pages, including the 10 year projections of capital and operating costs, revenue generation and resulting cash flow for high, medium low revenue generation business models (based on conservative visitor numbers when compared to historical Valley Rattler operating data).

Reinstating the entire track from Gympie to Imbil is cost prohibitive and has been ruled out as an immediate goal. Should the proposed operations proceed and meet the forecast financial performance, then further investment in the track enabling journeys to Imbil is a possibility.

The Valley Rattler is of great importance to the Gympie region and the operating models discussed in this section offer detail surrounding the available options for revitalising this heritage rail experience.

2.6.1 Option 1: Gympie to Amamoor

Requiring approximately \$10.6 million upfront this is the longest length option at 22.9 kilometres taking approximately two hours travel for a return journey. It involves operating a service 3-4 days a week (based on 20,000 visitors in Year 1 regardless of days of operation) and is the most similar to the previous heritage line experience. This option is the Rattler Railway Company's preferred option. It has considerable support within the local community who have a strong desire to eventually see the Valley Rattler run the entire track to Imbil.

To reduce operating costs it requires the existing sleepers from Gympie to Amamoor being replaced with steel sleepers, resulting in the need for a minimum upfront capital and start-up investment of approximately \$10.3 million. This Option can be reduced to an investment of \$7.25 million with timber sleepers however this presents greater ongoing maintenance costs for the business and is considered too great a risk (**Appendix B**).

2.6.1.1 Benefit / Cost

It is estimated that the first year of operations will welcome 20,000 passengers purchasing tickets for the train journey from Gympie to Amamoor. This assumption is illustrating the medium scenario, while the low and high visitor forecasts account for 18,000 and 22,000 respectively in the first year (Figure 6).

This figure will increase significantly during the first three years of operation, providing a significant investment in theme trains, to which Tourism Forecast Committee (TFC) growth rates are then applied from year 4 onwards. Should this scenario come to fruition, it is forecast to reach 27,338 visitors in its tenth year of operation.

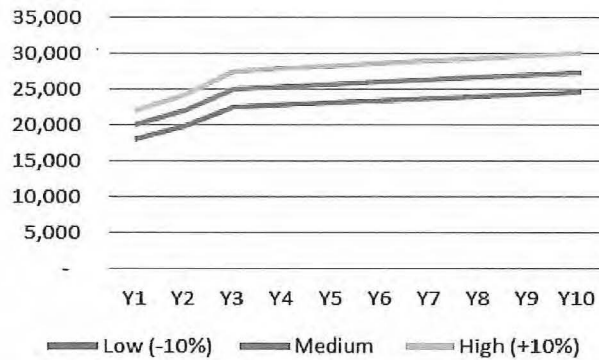


Figure 6. Visitor Growth Scenarios for Gympie to Amamoor

This option will see the operation running a service 3- 4 days a week, which is approximately 2 hours in length for a return journey. This journey is the longest of the options, 22.9km. Although there will be fewer services, the journey will be a longer experience on the heritage rail line and is most similar to the previous Valley Rattler operating model. Ticket prices for Gympie to Amamoor are provided in the below table.

Table 1. Ticket Prices for Gympie to Amamoor

Ticket Type	One-Way	Return
Adult	\$19.95	\$29.93
Child	\$14.18	\$21.26
Family (2 Adult, 2 Children)	\$52.50	\$78.75
Concession	\$14.18	\$21.26

Three scenarios were applied to visitor forecasts, representing +10% for high, medium and -10% for the low scenario. With all assumptions applied, it is estimated that the medium scenario could generate \$918,591 in revenue in the first year of operations.

This option requires \$10.6 million upfront and will make a profit from Year 3 onwards and demonstrates the potential for long-term sustainability. Costs are based on 2016 real dollars with no escalation for CPI.

Table 2 provides a financial summary of total expenses (capital and operating) and revenue for Gympie to Amamoor projected over 10 years. Year 0 assumes no revenue during the remediation of the railway infrastructure.

Table 2. Gympie to Amamoor Financial Summary

OPTION 1 - Gympie to Amamoor

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Capital Expenses *	\$10,261,325	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$300,000	\$1,094,461	\$1,004,416	\$1,018,276	\$1,030,388	\$1,042,941	\$1,055,980	\$1,069,305	\$1,083,566	\$1,098,193	\$1,113,412
Total Expenses	\$10,561,325	\$1,094,461	\$1,004,416	\$1,018,276	\$1,030,388	\$1,042,941	\$1,055,980	\$1,069,305	\$1,083,566	\$1,098,193	\$1,113,412
Revenue		\$918,591	\$918,544	\$1,030,235	\$1,050,706	\$1,071,018	\$1,091,952	\$1,112,721	\$1,134,242	\$1,156,556	\$1,179,705
TOTAL PROFIT		-\$175,869	-\$85,872	\$11,959	\$20,319	\$28,078	\$35,972	\$43,416	\$50,676	\$58,363	\$66,293

*Note - Based on assumption that all costs in Year 0 are met by the Queensland Government and Gympie Regional Council

2.6.1.2 Risks and Issues

This is the lowest risk option of the three considered. Notwithstanding the capital required to remediate the railway infrastructure between Gympie and Amamoor, this option provides the best opportunity for a financial return. It offers the widest variety of products and the greatest benefit to the communities along the line.

2.6.1.3 Opportunities

The Gympie to Amamoor option presents opportunities for economic development in the Gympie Region for Queensland. During the construction phase, initial capital expenditure and operations expenditure required to undertake the MVR project is estimated to directly support around \$4.1 million in additional gross value added (GVA) in the Gympie region.

Operating and tourism expenditure is estimated to directly generate around \$1.6 million in additional GVA in the Gympie region in the first year of operation. On average, over the 10 years modelled, this option is likely to generate \$2.1 million per year in additional GVA in the Gympie region.

The initial capital stimulus required for the project during the construction phase is estimated to directly support around 30 FTE jobs. In the first operational year, visitor expenditure coupled with the on train employment is estimated to support around 25 jobs in the region. These figures have been provided by the Office of the Chief Economist, Department of State Development based on the preliminary figures provided by the Rattler Rail Company and EarthCheck. The report is attached as **Appendix G**. This option is viewed as most desirable for both the Queensland Government and the Gympie Region based on the strong economic benefits reinstatement of the Valley Rattler will bring to the region as a whole.

Ideal Operating Model

An opportunity exists to combine Options 1 and 2 operating models to provide a variety of services offered 7 days a week, which is between 1 and 2 hours in length for a return journey. The trips per year are fixed: 4 journeys a week to Amamoor or 14 journeys a week to Monkland (2 per day, 7 days a week). This model relies heavily on volunteers, requires the same capital investment as Option 1 and is a commercial orientated model.

Three scenarios were applied to visitor forecasts, representing +10% for high, medium and -10% for the low scenario. As this model is a combination of Options 1 and 2, visitor projection in year 1 is 38,000 and grows to 61,380 in the tenth year of operation, this is for the high scenario. Passenger numbers for this scenario were calculated by combining Options 1 and 2. This figure will increase significantly during the first three years of operation, providing a significant investment in theme trains, to which Tourism Forecast Committee (TFC) growth rates are then applied from year 4 onwards. Should this combined operation model come to fruition, it is forecast to reach 61,380 visitors in its tenth year of operation (Figure 9).

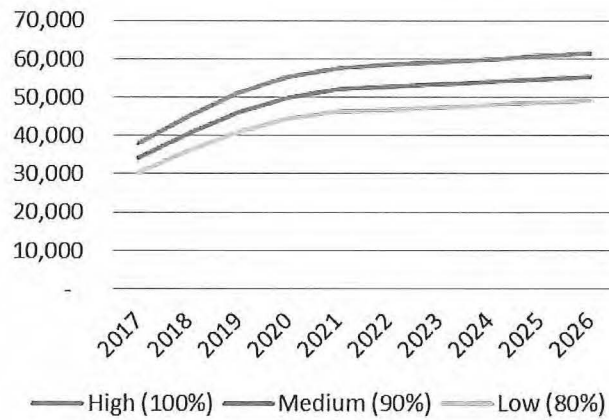


Figure 9. Visitor Growth Scenarios for a Combined Operating Model

A substitution rate of 30% has been applied to the projected revenue. Operational expenses are forecast to be 20% higher for this scenario and have been accounted for in the financial modelling. With all assumptions applied, it is estimated that the medium scenario could generate just over \$1M in revenue in the first year of operations (Figure 7).

2.6.2 Option 2: Gympie to Monkland

Requiring approximately \$3.4M upfront capital expenses, this 3.8 kilometre trip from Gympie to Monkland is approximately one hour in length for a return journey. It involves operating two services, seven days a week. As the length of this journey is only 3.8km, or 7.6km return, it is possible to increase the number of services (based on an expected 18,000 visitors in Year 1). Higher frequency is more convenient for the public as they are able to work around their schedules. The majority of services could use the diesel locomotive, and the steam train would operate on weekends. This option allows for the line to be extended to Amamoor in the future depending on future funding arrangements.

It should be noted that consultation with both Queensland Government representatives and the RRC and MVRCH has indicated that the short distance of 3.8 kilometres would lack appeal for many people considering the drive from Brisbane to Gympie. This option also fails to capture the inherent nature of the Valley Rattler as it historically operated due to the short distance of track between Gympie and Monkland.

2.6.2.1 Benefit / Cost

It is estimated that the first year of operations will welcome 18,000 passengers purchasing tickets for the train journey from Gympie to Monkland. This figure will increase significantly during the first five years of operation, providing a significant investment in theme trains, to which Tourism Forecast Committee (TFC) growth rates are then applied from year 6 onwards. Should this Option come to fruition, it is forecast to reach 34,041 visitors in its tenth year of operation (Figure 7).

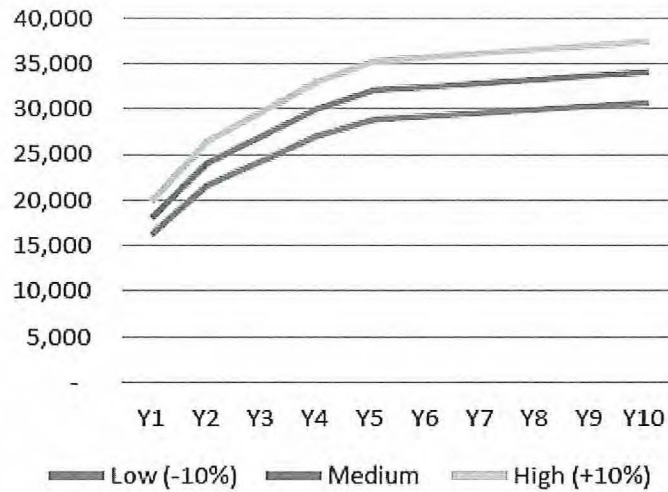


Figure 7. Visitor Growth Scenarios for Gympie to Monkland

Ticket prices for Gympie to Monkland are provided in Table 3. Three scenarios were applied to visitor forecasts, representing +10% for high, medium and -10% for the low scenario. With all assumptions applied, it is estimated that the medium scenario could generate approximately \$464,050 in revenue in the first year of operations. This option will continue to run at a loss for the projected 10 years with revenue insufficient to cover operating costs.

This option does not capture the inherent nature of the Valley Rattler as it historically operated, however short trips from Gympie to Monkland will allow the legacy to continue.

Table 3. Ticket Prices for Gympie to Monkland

Ticket Type	One-Way	Return
Adult	\$11.55	\$17.33
Child	\$8.40	\$12.60
Family (2 Adult, 2 Children)	\$31.50	\$47.25
Concession	\$8.40	\$12.60

Table 4 provides a financial summary of total expenses (capital and operating) and revenue for Gympie to Monkland projected over 10 years. Gympie to Monkland in the operating model presented in this report will continue to run at a loss for the projected 10 years. Costs are based on 2016 real dollars with no escalation for CPI.

Table 4. Gympie to Monkland Financial Summary

OPTION 2 - Gympie to Monkland

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Capital Expenses *	\$3,098,070	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Expenses	\$300,000	\$898,044	\$812,351	\$837,872	\$864,098	\$888,970	\$911,614	\$934,408	\$958,376	\$982,825	\$1,004,727
Total Expenses	\$3,398,070	\$898,044	\$812,351	\$837,872	\$864,098	\$888,970	\$911,614	\$934,408	\$958,376	\$982,825	\$1,004,727
Revenue		\$464,050	\$605,859	\$665,956	\$749,414	\$812,357	\$839,326	\$866,860	\$895,754	\$926,090	\$957,954
TOTAL PROFIT		-\$433,994	-\$206,492	-\$171,916	-\$114,684	-\$76,613	-\$72,288	-\$67,548	-\$62,622	-\$56,735	-\$46,773

*Note - Based on assumption that all costs in Year 0 are met by the Queensland Government and Gympie Regional Council

2.6.2.2 Risks and Issues

Gympie to Monkland presents a risk to the Queensland Government as this operation will continue to run at a loss for the projected 10 years, unlike Option 1 (Table 4). Consultation with GRC, RRC and MVRCH and Queensland Government agencies has identified a strong concern that a 3.8 kilometre train trip will not be sufficient in length to encourage people to the region. Despite the 19 kilometre difference in journey length when compared with the Gympie to Amamoor option, Option 2 operating expenses are only marginally less than Option 1, with almost identical dollars required to cover maintenance costs (Including Leases and System Software requirements), utilities, marketing, insurance, general expenses and contingency.

Relocation of a Turntable

Relocating a turntable to Monkland, to enable the train to turn around and make the return trip to Gympie, is one option to enact this scenario. A turntable is currently available in Imbil, and can be relocated at a cost of \$60,000; however, it is cautioned that this is likely to will likely create further distress to the Imbil community who are still feeling the impacts of the Traveston Dam project and general economic downturn in the area. The most sensible option is to relocate the turntable from Imbil to Monkland with the caveat that if steam train journeys to Imbil become viable in the future then the turntable can be relocated from Monkland back to Imbil. Relocating the Imbil turntable to allow the train to turn around at Monkland station

An alternative to the relocation of a turntable to the Monkland station is approaching Queensland Rail to discuss the opportunity of operating the heritage locomotives on a number of public rail lines. Subject to meeting a number of conditions, if this were attainable, the short trips from Gympie would become a loop rather than a back and forth service (Figure 8). Operating on Queensland Rail public lines presents a range of new options but also risks for the Valley Rattler with limited (or no) investment in rail infrastructure.

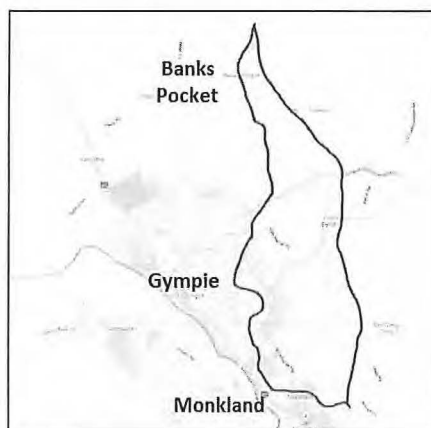


Figure 8. Potential Loop from Gympie passing through Monkland and Banks Pockets

2.6.2.3 Opportunities

The Gympie to Monkland option presents opportunities for economic development in the Gympie Region for Queensland. During the construction phase, initial capital expenditure and operations expenditure required to undertake the MVR project is estimated to directly support around \$2.5 million in additional gross value added (GVA) in the Gympie region.

Operating, tourism and small on-going capital expenditure is estimated to directly generate around \$1.5 million in additional GVA in the Gympie region in the first year of operation. On average, over the 10 years modelled, this option is likely to generate \$2.1 million per year in additional GVA in the Gympie region.

The initial capital stimulus required for the project during the construction phase is estimated to directly support around 15 FTE jobs. In the first operational year, visitor expenditure coupled with the on train employment and small capital expenditure is estimated to support around 24 jobs in the region. These figures have been provided by the Office of the Chief Economist, Department of State Development based on the preliminary figures provided by the Rattler Rail Company and EarthCheck (**Appendix G**).

2.6.3 Option 3: Terminate the Valley Rattler

In the absence of obtaining resources to support the reinstatement of the Valley Rattler and its supporting infrastructure, a range of costs still need to be considered. The 'Terminate the Valley Rattler' option has two scenarios for consideration: upfront costs for removing the existing track and bridges, or the ongoing costs for maintaining the existing track.

2.6.3.1 Benefit / Cost

Scenario 1: Removing the Track

Removing the track in its entirety is the option with the lowest cost associated to this scenario. The Department of Transport and Main Roads (DTMR) has calculated an approximate cost of \$300,000 for the track and bridges to be removed from Gympie to Imbil. Although this presents an up-front cost, it is substantially lower in the long-term as there are only annual vegetation maintenance costs in subsequent years of approximately \$75,000 per annum. This option will forever terminate any hope in reinstating the Valley Rattler causing significant distress within the community and ongoing negative social effects. Regardless of track removal, the possible future transport corridor will not be disposed of by DTMR. In the highly unlikely event that the corridor was disposed of, the costs for disposal of one lot alone would be approximately \$8,000 in a corridor which has over 50 unique parcels.

One option to manage the corridor is to propose a lease to MVCH for the workshop site, a licence for the carpark site and something unspecified for the building on the DTMR corridor site.

An investment to the buildings will need to be made in order to keep them in working order and accessible to the public, as outlined in **Appendix C – Old Gympie Station**. Gympie Regional Council has expressed willingness to some funding and works in kind around the station precinct. Works could include building as well as landscaping and car park works. Preserving this community asset and heritage site is important regardless of the rail operations.

Scenario 2: Maintaining the Track

It is estimated that maintaining the track to a standard that wouldn't further depreciate the asset would cost approximately \$185,000 per annum. These costs include basic vegetation control and bridge maintenance. It is likely to cost DTMR approximately \$65,000 to \$85,000 per annum for basic vegetation control only. Bridge maintenance is estimated at \$48,000 per annum. Additional costs will include detailed bridge work and open level crossing repairs, fencing, drainage and fire break work. These are variable costs and are currently being completed on an as needed basis – they have not been included in the estimated yearly costs.

Table 5 provides a financial summary of total expenses for both scenarios projected over 10 years.

Table 5. Terminate the Valley Rattler Financial Summary

Valley Rattler Termination										
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Scenario 1: Remove the Track (One-off amount including removal of all bridges) Years 2 - 10 show the average cost for vegetation management which would still be required.	\$ 300,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00	\$ 75,000.00
Scenario 2: Basic maintenance to stop further depreciation of asset										
Maintain the Track (approximate yearly vegetation mgt & bridge maintenance)	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00	\$ 135,000.00
Heritage Building Maintenance (Nominal amount - allowance only)	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
TOTAL	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00	\$ 185,000.00
NOTE: * Does not include the variable costs involved in additional bridge and open level crossing repairs, fencing, drainage and fire break work. ** Complete remediation costs for all bridges from Gympie to Amamoor amounts to \$897 000. Annual bridge maintenance is projected to be \$12 000 for Gympie to Monkland and \$48 000 to Amamoor (GHD Report - 2015) *** Does not include the costs to the local economy if the Valley Rattler is not recommissioned										

2.6.3.2 Risk and Issues

The implications of both Termination of Valley Rattler scenarios are concentrated around the effects on the local economy. Should the Valley Rattler fail to secure funding to reinstate the heritage rail experience, a disservice to the Gympie region may be perceived by the Gympie community. Failing to invest in this heritage rail experience will have a significant effect, direct and indirect, throughout the Gympie region.

An investment will need to be made regardless of the decision to remove the track or not. Costs that need to be taken into consideration include the removal of the track, or, the ongoing maintenance of the track. Gympie Regional Council currently assists with the maintenance of bridges and crossings however, an annual Queensland Government cost of \$185,000 has been identified to keep the track and surrounding vegetation at a standard for potential future use.

2.6.3.3 Opportunities

Potential opportunity to make a rail trail should the track be removed, this would require capital expenditure.

2.7 Risk and Issues

A variety of risks to either the Queensland Government or the RRC/ MVRCH have become apparent with investigations into the re-vitalisation of the Valley Rattler relating to the governance and ongoing costs associated with the operation.

Several risks that become apparent with the re-vitalisation of the Valley Rattler relate to the governance and costs associated with the operation.

- Governance and management – requiring a skills-based board, full-time manager and confirmed register of volunteers;
- Capital re-investment – each year the RRC will need to reinvest in preventative maintenance;
- Ongoing Marketing – a substantial marketing budget will be necessary to attract new markets and reach a broader audience.

2.7.1 Precedent Risk

A key concern for government is the likelihood of other heritage railway operations throughout Queensland approaching the Queensland Government for similar funding arrangements. The case for investing in the Valley Rattler is based on a comprehensive analysis of the business fundamentals provided below. These criteria identify the validity of the Valley Rattler for government funding consideration. The criteria below could reasonably be applied to any future proposal received by the government for rail tourism investment and is based on five guiding principles, detailed in Table 6 below.

Table 6. Criteria for Assessing Rail Tourism Projects

Assessment Criteria	Valley Rattler Business Case
1. Demonstrated latent demand for tourism rail experiences	The Valley Rattler successfully operated from 1998 to 2012, reaching a peak patronage of more than 30,000 visitors per annum. This is less than 10% of the patronage of other ventures such as Puffing Billy (Victoria). The closure of the line came as a result of the growing cost of track maintenance as a proportion of operating revenue, a key risk considered in this business case.
2. Sufficient visitor and local population to support the venture	The Sunshine Coast attracts 10% of all visitors to Queensland, growing 3.4% year on year. With over 8 million day and overnight visitors per annum, and a population of over 350,000 within 40 minutes of Gympie, the Valley Rattler needs only a small percentage of this market to be a thriving regional business.
3. A supportive local resident and business community, committed to and investing in the success of the venture	<p>Since the closure of the Valley Rattler in 2012, local businesses have reported a reduction in visitor numbers which is reflected in the tourism statistics for the region (down 2.7% per annum while the Sunshine Coast has grown by 3.4%).</p> <p>Unemployment in the Gympie region is 4% higher than the State average at 10.3% (DEEWR - June, 2015). The loss of a key attraction for the region has only exacerbated the unemployment conditions and the lack of other major projects is impacting on business confidence. There is overwhelming support for reinstating the Valley Rattler with cash and in-kind contributions totalling close to \$500,000 estimated.</p>
4. A business case demonstrating the best operating model including governance, financial and risk management	The cost to 'Terminate the Valley Rattler' ranges from \$185,000 per annum for track, bridge and vegetation maintenance (\$135,000) and heritage building maintenance (estimated \$50,000 per annum). The business case presents a range of conservative operating models that range from 18,000 to 34,000 annual visitors (medium scenario projections), offering a mix of rail and heritage experiences and a variety of revenue streams to eliminate reliance on one market or one experience.
5. A clear return on investment and demonstrated reinvestment in capital.	The business case creates a cash positive operating model where the base infrastructure has the lowest ongoing maintenance (i.e. steel sleepers).

2.7.2 Accreditation Risk

Accreditation of RRC by the Rail Safety Regulator is necessary to progress with Options 1 or 2. The RRC will need to apply for and be granted a variation to their current accreditation to commence any railway operations, including any repairs to the rail infrastructure. Obtaining accreditation will require RRC to develop a register of all

assets as well as a program for maintenance which demonstrates their competency and capacity to manage the repairs (either undertaken by the RRC or a contractor) and rolling stock operations. In order to provide the Driver's Experience, a risk assessment will be necessary. Re-establishing a Rail Safety Advisory Group will help oversee this accreditation is maintained.

2.7.3 Governance Risk

With the best interests of the Valley Rattler in mind, governance will play a key role moving forward. Individuals with specific skills and industry experience should be recruited for the Board and its Subcommittees, along with a suitably qualified General Manager acquired through a third-party recruitment process. Greater transparency of the RRC Board through open elections and appointment of directors based on skills will greatly reduce Governance risks.

Furthermore, there would be benefit in the Board seeking a mentor from the UK Heritage Railway Association.

2.7.3.1 Structure of the Governing Board

In order to obtain accreditation and to ensure the operation is managed as efficiently and effectively as possible, it is essential to recruit board members with appropriate skills and knowledge. Members with experience in the following fields should be recruited in the formation of a holistic Board:

- Legal
- Accounting
- Rail Experience
- Event Experience
- Marketing
- Grant Funding

2.7.3.2 Subcommittees

To assist the Board with operational aspects, the following subcommittees should be developed featuring individuals with industry experience:

- Rail Advisory
- Marketing & Events
- Grants Funding
- Accounting & Legal
- Stakeholder Engagement & Volunteer Coordination

2.7.4 Business Sustainability

The Valley Rattler Business Plan (July 2015) identified the following revenue streams:

- Gympie Regional Council
- State Government Funding
- Corporate Sponsorships
- Other Community Fundraising
- Rail Revenue
- Refreshments & Merchandise

Detail of revenue streams and assumptions used in this report are provided in Section 2.2.1. While several sources are provisional, the identification of sustainable funding sources is imperative for the success of the railway.

Creative fundraising ventures should be employed to help offset the start-up costs. Developing a 'Buy a Sleeper' campaign offers potential of attracting immediate individual and corporate sponsorships. Funding provided by the Queensland Government is necessary to enable the Valley Rattler to commence operations. This significant investment is critical for all other partnerships and sponsorships to be established.

GRC has previously provided funding annually to assist with operational costs. Council is a key partner in the project and has indicated a willingness to contribute substantially to additional funding required to ensure the success of the Valley Rattler.

Friends of the Rattler Volunteers have been and would continue to be a key attribute to the railway providing assistance with operations, maintenance and fundraising.

The potential for a Valley Rattler Trust / Society to provide additional income, as seen in the Puffing Billy and Severn Valley case studies (Appendix D) is worthy of investigation for the Valley Rattler.

2.7.4.1 Partnerships and Sponsors:

The Valley Rattler has the potential to organise a number of different partnerships and sponsorships buying-in at various levels and for different purposes and thus ensuring the sustainability of the Valley Rattler into the future.

Queensland Government

Collaborating with the Department of State Development and the Department of Tourism, Major Events, Small Business & Commonwealth Games can also help the Valley Rattler align with the Destination Tourism Plan and identify the most effective supply chain links.

Gympie Regional Council

In addition, to the support Council has offered to the Valley Rattler, there is also potential to endorse the heritage train through the Economic Development Reference Group. Furthermore, council representatives and staff are directly involved with MVRCH. This degree of support demonstrates commitment to the cause and a strong desire to see the railway reinstated. There is an opportunity to link in with a Food Train experience and connect the event with the Gympie Gold Regional Produce initiative.

Other potential partnerships and sponsors could include:

- The **Gympie Chamber of Commerce** could help support the Rattler within its membership network.
- **Tourism and Events Queensland** may be able to offer assistance with the promotion of the rail journey at a state level.
- **Sunshine Coast Destination Limited (SCDL)**, the regional tourism organisation, is a key partner as they help promote and raise awareness of the products and experiences available, SCDL could provide assistance with capturing a larger market.
- **Destination Gympie Region (DGR)**, the local tourism organisation, is a key partner in promoting the experience and products on offer throughout the local community. Building opportunities that complement existing events, such as the Gympie Muster and Noosa Jazz Festival, can be accomplished with assistance from DGR.
- **Tourism Noosa**, Noosa is a well-established destination attracting hundreds of thousands of tourists annually. The Valley Rattler could provide a value-added experience to those on holiday. Working with the tourism authority to connect with the market is an opportunity to capture the market in Noosa.
- Collaboration with **Queensland Heritage Rail** could assist with the operations and maintenance of the track.

- **Gympie Probation and Parole**, volunteer labour from individuals on parole could assist with track maintenance and the installation of sleepers. Volunteer labour to date has proven to be beneficial for the Gympie Station rail yard.
- **Ambassadors**, the recruitment of a high-profile Ambassador well-known throughout the Gympie Region could provide the Valley Rattler with a champion for promotional materials. Potential candidates who could be approached include Tim Fisher and Matt Golinski.

2.7.4.2 Letters of Support

Local businesses have offered ongoing support for the Valley Rattler during its operation and while it has been decommissioned. Letters of Support recently provided for inclusion in this report are provided in **Appendix F**.

2.7.5 Delivery

Once a funding arrangement is negotiated and agreed between DSD and GRC, it is recommended that the Department of State Development DSD project manage the remediation of the rail corridor infrastructure on behalf of the operational stakeholders. RRC will manage the refurbishment of the Heritage Rail rolling stock using both Queensland Rail and volunteer resources.

2.7.6 Political / Community

Failure to invest in the future of this heritage railway experience will have a significant effect both directly and indirectly throughout the entire region. Following cancellation of the Traveston Crossing Dam proposal in 2009, the Queensland Government has been in the process of returning 13,000 hectares of land back to private ownership. The abandonment of the dam project has caused significant economic and community instability for the Mary Valley residents. The Mary Valley Economic Development Strategy (MVEDS) implemented by the former Department of State Development, Infrastructure and Planning in 2012, addressed these concerns and continues to work towards revitalising and restoring community stability.

Enabling this project to be realised will align with one of the four main components of the MVEDS being the Queensland Government aims to support new enterprises and re-establish existing enterprises bringing economic drivers to the market. Noting the unemployment rate in the Gympie region was 10.3% in the March quarter of 2015, higher than that of Queensland (6.2%), the economic flow on from recommissioning of the Valley Rattler will provide a stimulus to the region boosting the local economy and supporting job creation.

The operation of the Valley Rattler itself intends to employ 10 FTE's and has access to an additional labour force of 200 volunteers who are willing to help out approximately 8 hours per month. Investment in the Valley Rattler will help generate on-site spend as well as direct and indirect expenditure within the region.

2.7.7 Implementation (Operational and Marketing)

Reinstatement of the Valley Rattler to Amamoor would provide the region with an additional attractor and the opportunity to develop a competitive advantage by providing a unique experience that is not widely available. The Gympie Region offers a picturesque environment with country hospitality from the rolling hills of the Mary Valley to the coloured sand of Rainbow Beach; however, its tourism experiences are somewhat limited. Annual events held throughout the region include the Kilkivan Horse Ride, the Pumpkin Festival in Goomeri and the Seafood Festival in Tin Can Bay. The Gympie Music Muster (Amamoor) is the region's highest profile event attracting over 15,000 people to the region.

The Rattler has the potential to be successfully positioned as a value-added activity which is an attractive inland visitor experience for visitors to Brisbane and the Sunshine Coast region.

2.7.8 Next steps

Pending a government decision to proceed with funding the recommended option a key issue needs to be resolved in consultation with QR and MVRCH around tenure of the infrastructure within the railway corridor.

3 Conclusion

This report has provided a clear understanding of the market profile along with relevant capital and operational expenses and potential revenue streams for three options, Gympie to Amamoor, Gympie to Monkland and termination of the Valley Rattler.

Key findings:

- The Valley Rattler successfully operated from 1998 to 2012, reaching a peak patronage of more than 30,000 visitors per annum.
- While the Rattler has been out of operation, rail tourism for visitors to Queensland and the Sunshine Coast has been growing at 4% per annum.
- The Sunshine Coast attracts over 8 million day and overnight visitors per annum, and a population of over 350,000 within 40 minutes of Gympie, the Valley Rattler needs only to capture a small percentage of this market to be a thriving regional business.
- Since the closure of the Valley Rattler in 2012, local businesses have reported a reduction in visitor numbers.
- Unemployment in the Gympie region is 4% higher than the State average at 10.3% (DEEWR - June, 2015). The loss of a key attraction for the region has only exacerbated the unemployment conditions and the lack of other major projects is impacting on business confidence. There is overwhelming support for reinstating the Valley Rattler with cash and in-kind contributions totalling close to \$500,000 estimated.
- The cost to 'do nothing' ranges from \$185,000 per annum for track, bridge and vegetation maintenance (\$135,000) and heritage building maintenance (estimated \$50,000 per annum). Bridge maintenance alone is estimated at \$48,000 per year and does not include any extra-ordinary work required.
- The business case presents a range of conservative operating models that range from 18,000 to 34,000 annual visitors (medium scenario projections), offering a mix of rail and heritage experiences and a variety of revenue streams to not be reliant on one market or one experience.
- The business case creates a cash positive operating model for Gympie to Amamoor where the base infrastructure has the lowest ongoing maintenance (steel sleepers).
- The operating model presented for Gympie to Amamoor requires \$10.6 million upfront and will make a profit from Year 3 onwards and demonstrates the potential for long-term sustainability.
- Option 1: Gympie to Amamoor has the potential to generate approximately \$2.1 million per annum (conservative visitor estimates) to the economy
- Option 2: Gympie to Monkland in the operating model presented in this report will continue to run at a loss for the projected 10 years.

4 References

DEEWR - June, 2015

RRC Business Plan (July 2015).

Tourism Research Australia, National and International Visitor Survey (prepared by EarthCheck Consulting).

TEQ Sunshine Coast Snapshot YE June 2015

Infrastructure Condition Assessment and Costs (GHD, 2013; GHD, 2015)

Economic Value Assessment (EarthCheck, 2014)

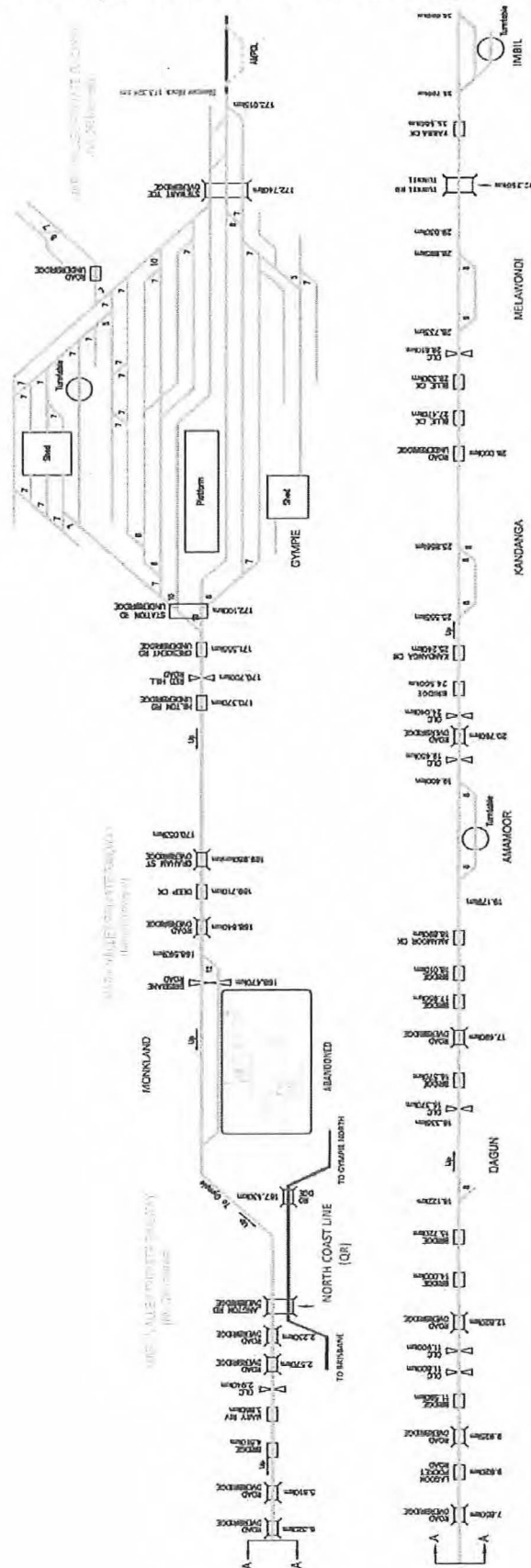
Business Case (Rattler Rail Company, 2015; Rattler Railway Company, 2014)

Analysis of the Proposed RRC Business Plan (Linqage, 2014)

Draft Plan for Sustainable Operations (Linqage, 2014).

Appendices

Appendix A: The Valley Rattler Track Diagram



Appendix B – Replacement and remediation of the track and bridges

Equipment to Repair the Track

Track replacement could use a range of different equipment and various labour force sizes. The purchase of a small excavator or small sleeper exchange machine has been suggested. A small excavator with multiple attachments will do sleeper insertion work and also be capable of cleaning out rotten sleepers and drains, lifting equipment, realigning track, and lifting and dragging rail. A sleeper inserter machine would be capable of exchanging roughly 6 sleepers per hour along the MVHR rail line (GHD, 2015). A ten person team would be required with two or three at the front placing new sleepers to be replaced, three working with the machine, two following and packing a firm foundation for the sleepers and the others clearing away the old sleepers.

A stone blower would be used to fill the surrounding void with coarse sand, rather than filling the void manually, ensuring the sleeper has firm support. The equipment could be purchased for approximately \$50,000.

Replacing the Track

It is apparent that the track will be replaced from either Gympie to Monkland or Gympie to Amamoor. From a business contingency standpoint, replacing the track from Gympie to Monkland immediately would enable operations to begin, while staged work was carried out to Amamoor.

Sleepers

Patching the sleepers for either section is not an option given the current state of the track. Replacing the entire sections with steel sleepers would ensure long-term viability of the track and full operational capacity. An opportunity to partner with Gympie Probation and Parole is available. This partnership would provide access to volunteer labour with the capability to assist with the repair and maintenance of the track. This will help reduce the costs associated with a 100% contractor scenario. Purchasing the equipment required for volunteers to help with sleeper installation would cost approximately \$50,000 up front but would reduce expenses for ongoing maintenance moving forward.

Cost of sleepers:

	Price per unit	Lifespan
Timber	\$ 80.00	10 years
Steel	\$ 100.00	40 years (minimum)
Concrete	\$ 200.00	50 years

Timber vs Steel

Although steel is the preferred option for sleepers, it has a high upfront cost. Timber can be done at a lower cost to get the operation going but in turn boasts greater maintenance costs and relies on constant and continuous volunteer labour.

Maintenance costs from Gympie to Amamoor for steel sleepers is estimated at approximately \$50,000 per year for the 25km track, while timber has an associated cost of approximately \$600,000 to replace 10% of the sleepers annually, this is approximately 4000 sleepers per year. The cost of concrete sleepers is prohibitive for all of the scenarios in this business case.

Bridges

Complete remediation costs for all of the bridges from Gympie to Amamoor amounts to \$897,000. Annual bridge maintenance is projected to be approximately \$14,000 for Gympie to Monkland and \$43,000 to Amamoor.

Appendix C: Old Gympie Station

While the buildings are generally sound, age and deferred maintenance have had their toll and will require attention prior to recommencing services. Items requiring immediate repair include (as provided by Gympie Regional Council):

- Compliant car parking space for disabled persons;
- Fully compliant disabled access ramp;
- Replacement of two existing sets of steps providing principal points of entry;
- Upgrades to non-compliant disabled toilet facility and an approved path;
- Upgrades to uneven and deteriorated surfaces on the main platforms;
- Installation of threshold ramps at any doorway required to be accessible to a disabled person;
- Tactile indicators and approved signage alerting users to ramps, steps, uneven surfaces and the like;
- Remediate structural damage by termites to awnings over the railway platforms;
- Compliant and sealed travel path between the station and the workshop;
- Repair of workshop roof previously damaged by fire;
- Installation of barriers to prevent falls onto the track;
- Upgrades to portable ramp used to convey disabled persons into the carriages;
- Installation of emergency lighting and illuminated exit signs where public has access;
- Provision of appropriate amount of portable fire extinguishers;
- Plumbing compliance;
- Potential to upgrade service pits in the workshop to connect to oil separation equipment and connection to storm water systems; and
- Ensure 1,000 bulk oil container has bunding and tanks are covered properly.

A major renovation would be required for commercial food handling activities, including a complete strip out and re-fit to current construction standards.

The station is a critical part of the Valley Rattler experience, thus warranting investment that highlights its significance. In addition to the required work outlined above, upgrades to the exterior façade and internal fitout are necessary to make the station an attraction in its own right. It is also suggested that the model train room is resituated from its current location in an effort to restrict entrance to those who pay a \$2.00 fee.

One option for a floor plan at Old Gympie Station is as depicted below:

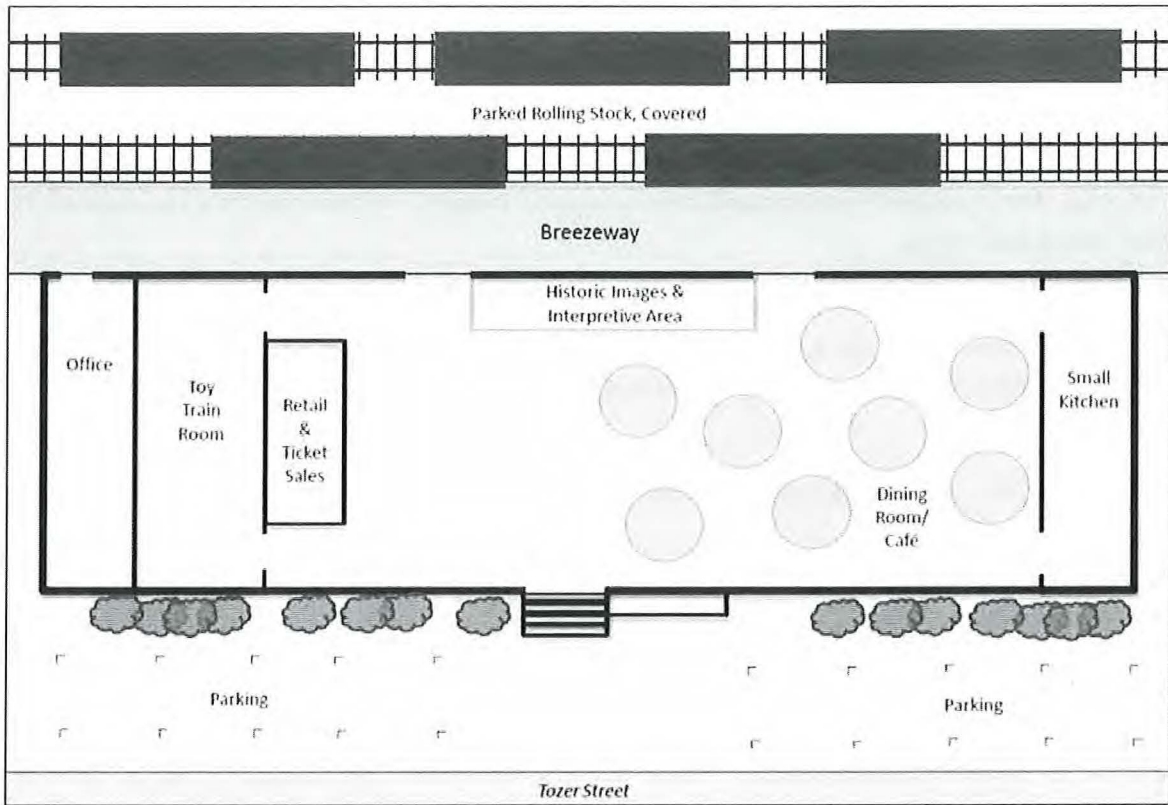


Figure. Possible Floor Plan for Refurbishment of Old Gympie Station

Appendix D. Case Studies

Puffing Billy, Victoria

Opened in 1962, the Puffing Billy rail line runs from Belgrave to Gembrook spanning 54km and is under an hour drive from Melbourne's CBD – which boasts a population of 4.1 million.

The Puffing Billy attracted 394,672 visitors in 2014 with an estimated annual contribution of \$49.4 million to the Victorian economy. Attracting both domestic and international passengers, most overseas tourists originate from China, Taiwan, Korea and the UK.

In 2014, total expenditures for the railway were \$9.4 million while the total income was only \$8.8 million. The railway has been running at a loss since 2011 but has managed to reduce the net loss by implementing energy saving initiatives to reduce operating costs. Additional revenue has also been generated through the introduction of special event trains.

The Puffing Billy operates with the generosity of 900 volunteers. The Puffing Billy Preservation Society has provided grants totalling \$262,250.

Severn Valley Railway, UK

Opened in 1970, the rail line runs from Bridgenorth to Kidderminster and is under an hour drive from Birmingham – boasting a population of 1 million. The Severn Valley Railway attracts approximately 250,000 visitors per year and generates £5.4 million in value for the regional economy.

The railway is run by 1,300 volunteers and only 70 paid staff who are responsible for administration, commercial activities, track and rolling stock maintenance. Operating 5-8 services daily throughout the summer months, it also operates dining services most weekends and special events on a regular basis. In order to conduct maintenance on the locomotives, the track is closed for five to six weeks each year.

Funding the operations is achieved in part by the Severn Valley Railway Share Offer Project- a scheme where people can buy shares for £1, which is then invested in projects along the railway. By October 2013, the scheme had raised £2 million. The Severn Valley Railway Charitable Trust also helps with raising revenue to ensure essential maintenance costs are met. The railway is also reliant on donations to meet necessary operational costs.

The busiest time of year is December due to the Santa Special, taking more than 30,000 parents and children to see Santa. Another premium product offered is the footplate experience, where visitors can fire and drive a full-sized locomotive.

Kuranda Scenic Railway, Queensland

The Kuranda Scenic Railway began operating as a passenger train in 1891. The journey travels from Cairns to Kuranda, winding through Far North Queensland's Heritage-Listed rainforest for the 34km trip. Although Cairns only boast a population of 140,000 the tourism economy is of great value to the railway.

Attracting approximately 340,000 visitors in the 2013- 2014 financial year, the railway sees a high proportion of international visitors. The majority (75%) are from Japan, China, Germany, United Kingdom, France, United States and New Zealand.

The experiences available include two of the most popular tourist attractions in Far North Queensland: the World Heritage Rainforest and the Skyrail Rainforest Cableway. The rainforest community of Kuranda is the final destination and offers passengers the chance to explore the quaint town.

Appendix E. Assumptions

Ticket Prices

The assumption applied to all ticket revenue is that 75% of passengers purchase return tickets and 25% purchase one-way tickets, as identified in the RRC Business Plan (July 2015). The base ticket price is intended to stay the same for the first three years of operation. This will then increase as per the Consumer Price Index (CPI %) from year 4 onwards.

The table below summarises the assumptions applied to the ticket prices for short trips from Gympie to Monkland and longer trips from Gympie to Amamoor. Return prices were calculated at 150% of the price for a one-way ticket.

Table. Ticket Prices

	Adult	Child	Family 1 Adults &	Concession
% of Passengers	46.62%	20.83%	15.26%	17.30%
Gympie to Monkland				
One-Way	\$11.55	\$8.40	\$31.50	\$8.40
Return	\$17.33	\$12.60	\$47.25	\$12.60
Gympie to Amamoor				
One-Way	\$19.95	\$14.18	\$52.50	\$14.18
Return	\$29.93	\$21.26	\$78.75	\$21.26

Passenger numbers

The assumptions applied to the High, Medium (base figures used for costings - conservative when compared to historical visitor data) and Low passenger number scenarios for Gympie to Monkland and Gympie to Amamoor are provided in the below table. It is assumed that given greater capacity, the various scenarios would be provided for by adding extra carriages rather than additional journeys.

Table. High, Medium and Low Passenger Number Assumptions

	High Scenario (+10%)	Medium Scenario (Base)	Low Scenario (-10%)
Gympie to Monkland			
Passengers in Year 1	19,800	18,000	16,200
Gympie to Amamoor			
Passengers in Year 1	22,000	20,000	18,000

Table. Revenue Assumptions applied to the High, Medium and Low Scenarios

	Applicable to all scenarios	High Scenario (+10%)	Medium Scenario	Low Scenario (-10%)
Average Café Spend	\$4.50			
Average Retail Spend	\$2.28			
Café and Retail Conversion Rate	25%			
Annual Theme Trains				
Theme Train Annual Growth Rate	2%			
Theme Train Capacity	200			
Theme Trains per Annum	6			
Theme Train Ticket Price	\$45.00			
Footplate Experiences				
Price of Steam Train Sunday Footplate Experience (driving, 52 per year) / Conversion Rate	\$200.00	30%	20%	10%
Price of Footplate Experience (not driving) / Conversion Rate	\$60.00	30%	20%	10%
Tourist Train Photo				
Price	\$15.00			
Conversion Rate	15%			
Model Train Room				
Price of Entry	\$2.00			
Conversion Rate	15%			
Workshop Tours				
Price of Entry	\$8.00			
Conversion Rate	20%			
Buy a Sleeper Fundraising Campaign				
Price / Units Sold	\$50.00	165	150	135
Conference/Events Space Hire				
Price / Bookings per year	\$500.00	16.5	15	13.5

Appendix F: Letters of Support



14 October 2015

TO WHOM IT MAY CONCERN

Re: **Rebirth of the Rattler**

SkillCentred Queensland Inc. (SkillCentred) is a not-for-profit organisation which for the past 30 years has been actively involved in promoting and supporting local community organisations.

One of these organisations, The Railway Rattler Company based in Gympie, brings major social and financial benefits to our region through boosting local economies in rural areas.

Since 1997 SkillCentred has been pleased to provide Work for the Dole programs with the objective to provide opportunities for unemployed people to gain work experience, build networks improve self-esteem, communication skills, and motivation; and contribute to projects that are of value to the community.

Our Construction work for the dole group based activities require a maximum of 12 job seekers to carry out tasks as part of a specific group project to meet their six-month requirement. The project may be longer than six months but have six-monthly rotating groups of job seekers who would undertake work such as painting, carriage restoration, workshop activities, vegetation management, and sleeper replacement to name a few.

All our teams are supervised by a dedicated qualified tradesperson who is responsible for the overall management and training within a project, including the WH&S process, the supply of required personal protective equipment, following up hours of attendance, and addressing any issues raised by jobseekers or hosts.

SkillCentred would like to continue to provide these programs into the future and believes that the Railway Rattler Company meets all the requirements as a Work for the Dole host allowing them the opportunity to undertake projects which they might otherwise not have the capacity to do.

In these circumstances we wish to advise our strong support for the ongoing success of the Railway Rattler Company and its application for funding to help achieve that result.

I would be pleased to discuss the contents of this letter in greater detail if required.

Yours sincerely

Refused under section 47(3)(b) of the



Alicia Gibson
General Manager



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Branch Offices

- Charleville
- Dalby
- Hervey Bay
- Kingaroy
- Logan
- Maroochydore
- Noosa
- Roma
- St George
- Toowoomba

Outreach Services

- Western Down Regions
- Wide Bay Regions

Free Call: 1800 786 300



Gympie
CHAMBER OF COMMERCE

16 October 2015

Cr. Mick Curran
Mayor
Gympie Regional Council

Good morning Mick

It has now been three years since the Valley Rattler ceased operations and the local business and general community is heartened by the ongoing work of Council and the Rattler Railway Company to once again have this iconic steam train as our major tourist attraction.

The Gympie Chamber of Commerce sees this attraction as an important cog in many businesses and will continue to support the project.

At our Business Awards last year, the Chamber donated the tourism sponsorship category to the Rattler to not only show its financial support but to also keep the momentum for its rebirth at the forefront.

The Gympie Chamber of Commerce will continue to provide whatever support is needed to ensure this vital project comes to fruition.

As the representative body of the business community, we show our support on behalf of the our members throughout the Gympie Region.

Yours faithfully

Refused under section 47(3)

Ben Ellingsen
President
Gympie Chamber of Commerce

Website: www.gympiechamber.net.au
Email: info@gympiechamber.net.au
Postal: PO Box 1100, Gympie, QLD, 4570



RE: Letter of Support

To whom it may concern

In August 2015 Probation and Parole Gympie commenced a new community service venture with the Gympie Regional Council and the Railway Rattler Company to restore the station yards of the Mary Valley Rattler based at Gympie. This entailed providing the non for profit enterprise with Community Service Workers subject to Community Based Orders with Probation and Parole Gympie to undertake general maintenance work on the grounds around the Mary Rattler Railway Yards.

Work performed at this project to date has included; clearing rubbish, weeding, removing overgrown scrub, fencing, gardening and general cleaning. Both the Gympie Regional Council and The Railway Company have thrown their full support behind this valuable work by supplying tools such as mowers, brush cutters and other necessities to perform the work as required.

The project is currently operational two days per week with a paid Supervisor provided from Probation and Parole Gympie who oversees the work performed and also provides guidance and mentoring to those performing the work.

In terms of future potential at this project it is hoped other activities such as painting and minor building works may be able to be completed in the not too distant future as well as discussions with Council around having participants obtain relevant qualifications which could lead to other employment or opportunities.

Due to the history of the "Mary Valley Rattler" many of the participants at the project are highly motivated to attend as the project builds a strong connection to the community in which they live. As a result this project may assist in reducing offending by facilitating strong connections to the local community as noted in research article around the importance of being part of a community.

Overall, this project has seen benefits to all stakeholders across this local community and has the support of Gympie Probation and Parole in delivering on-going support via the provision of Community Service Workers.



Grant Cumner
Acting District Manager
Gympie District Office

Appendix G. Regional Economic Impact Analysis

Department of State Development

Mary Valley Rattler – Regional Economic Impact Analysis, Confidential and Final Draft Report

February 2016 update, Office of the Chief Economist

ADVICE
REPORT

Introduction

The Office of the Chief Economist (OCE) has been requested to conduct a regional economic impact assessment of the Mary Valley Rattler (MVR) based on information provided by EarthCheck. Specifically, this study focuses on estimating the direct regional economic impacts for two scenarios provided by EarthCheck which are summarised as follows:

- Scenario 1: Gympie to Amamoor - This scenario accounts for steel sleepers from Gympie to Amamoor, a refurbishment of Old Gympie Station and removal of the track from Amamoor to Imbil. Train passenger numbers are projected to be around 18,000 in the first operational year (Year 2) increasing to 24,300 in year 10. Total capital expenditure is estimated to be around \$10 million in Year 1 (construction phase) and operating expenditure is estimated to be approximately \$9.3 million over the 10 years.
- Scenario 2: Gympie to Monkland - This scenario accounts for steel sleepers from Gympie to Monkland, relocation of a turntable to Monkland, a refurbishment of Old Gympie Station and removal of the track from Monkland to Imbil. Train passenger numbers are projected to be around 16,200 in the first operational year (year 2) increasing to around 30,300 in year 10. Total capital expenditure is estimated to be around \$7 million and operating expenditure is estimated to be approximately \$9.3 million over the 10 years.

It is our understanding that this report will help inform the department's Major Project Office whom is leading the project.

See **Appendix A** for discussion of the assumptions and methodology used by OCE for this study which draws mainly on data provided by EarthCheck, Regional Tourism Satellite Accounts for 2013-14 and other sources including Queensland Treasury's average estimate of direct jobs supported for capital works.

Key findings of regional economic impact assessment study

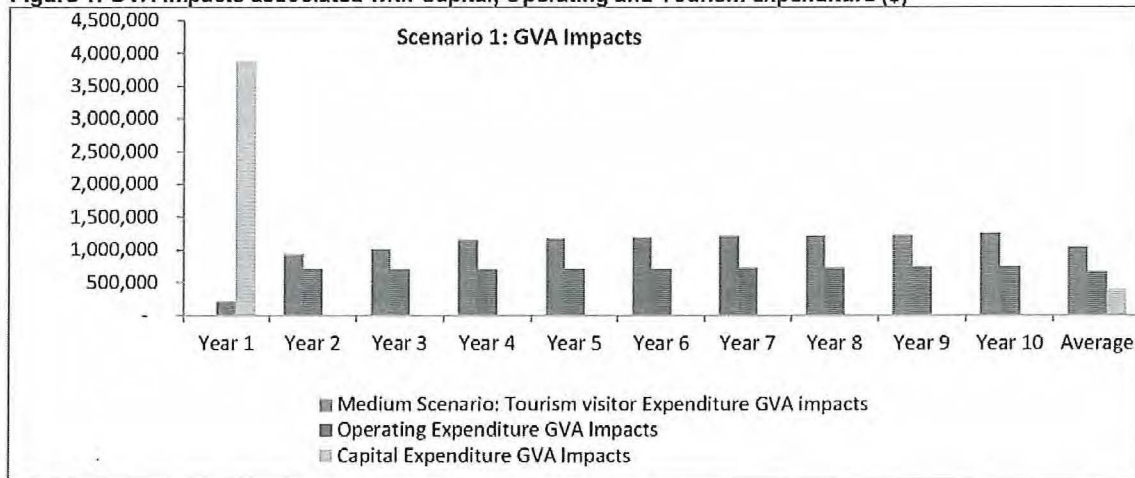
Scenario 1 – Gympie to Amamoor

During the construction phase (Year1), initial capital expenditure and operations expenditure required to undertake the MVR project is estimated to directly support around \$4.1 million in additional gross value added (GVA) in the Gympie region, under scenario 1. Around 95% of this additional GVA is driven by large capital expenditure required to undertake the project.

In the first operational year of the MVR (year 2), operating expenditure and tourism expenditure is estimated to directly generate around \$1.6 million in additional GVA in the Gympie region. Over the 10 years of the analysis, MVR, on average, is estimated to generate around \$2.1 million per year in additional GVA in the Gympie region, under scenario 1, as shown in Figure 1 on the following page.



Figure 1: GVA impacts associated with Capital, Operating and Tourism expenditure (\$)

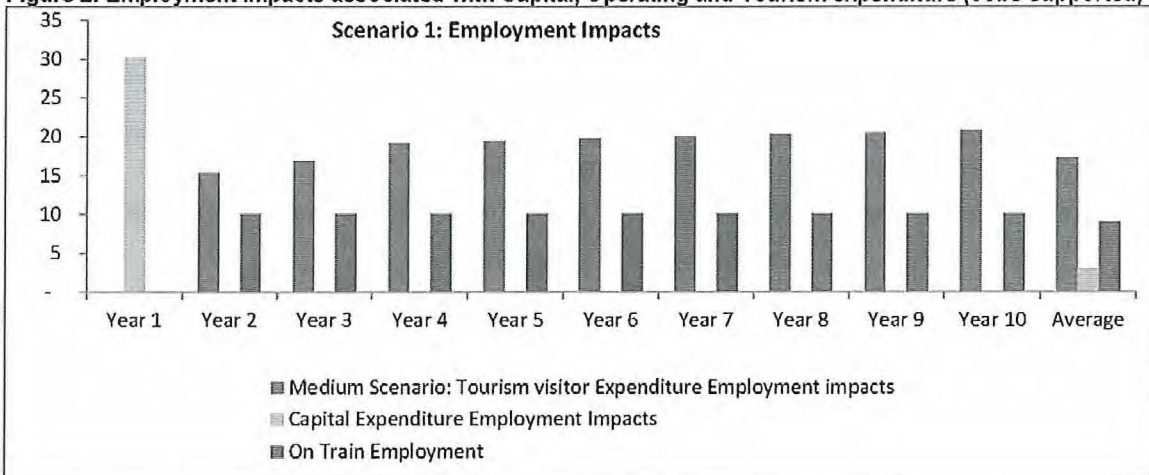


Source: OCE estimate using data and relationships sourced from Earth check, Queensland Tourism and Regional Tourism Satellite accounts for 2013-14, ABS and Queensland Treasury data

The initial capital stimulus required for the project during the construction phase (Year 1) is estimated to directly support around 30 FTE jobs. In the first operational year (year 2) of MVR, the additional value added generated through the visitor expenditure coupled with the on train employment is estimated to support around 25 jobs in the region.

Over the 10 years of the analysis, MVR, on average, is estimated to directly support around 29 FTE jobs per annum in the Gympie region, as shown in Figure 2 below.

Figure 2: Employment impacts associated with Capital, Operating and Tourism expenditure (Jobs supported)



Source: Same as Figure 1

Scenario 2 – Gympie to Monkland

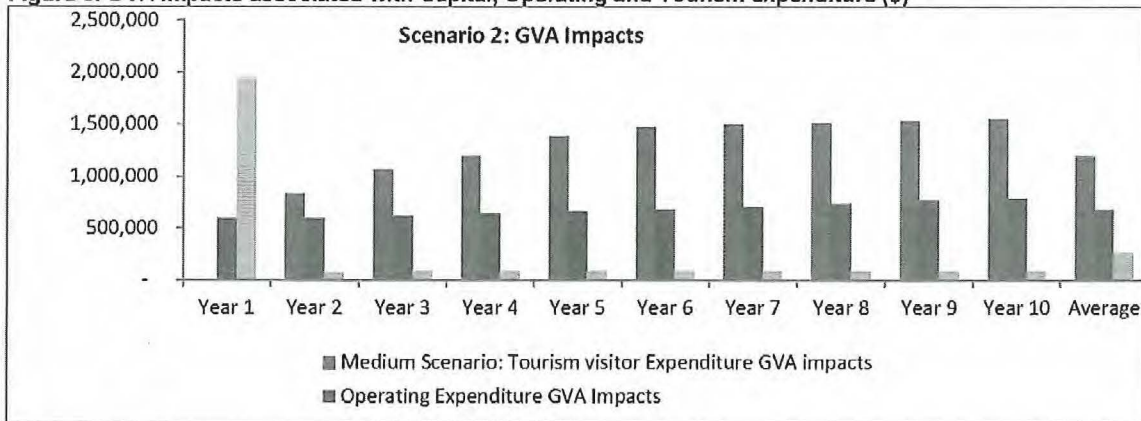
Under scenario 2, the capital expenditure and operating expenditure associated with the MVR is estimated to directly generate around \$2.5 million in additional GVA in the Gympie region during the construction

phase (Year 1). Around 77% of this additional GVA is driven by large capital expenditure required in the first year to undertake the project.

In the first operational year of the MVR (year 2), operating expenditure, tourism expenditure and small on-going capital expenditure is estimated to directly generate around \$1.5 million in additional GVA in the Gympie region

Over the 10 years of the analysis, MVR, on average, is estimated to generate around \$2.1 million per year in additional GVA for the Gympie region, under scenario 2, as shown in Figure 3 below.

Figure 3: GVA impacts associated with Capital, Operating and Tourism expenditure (\$)

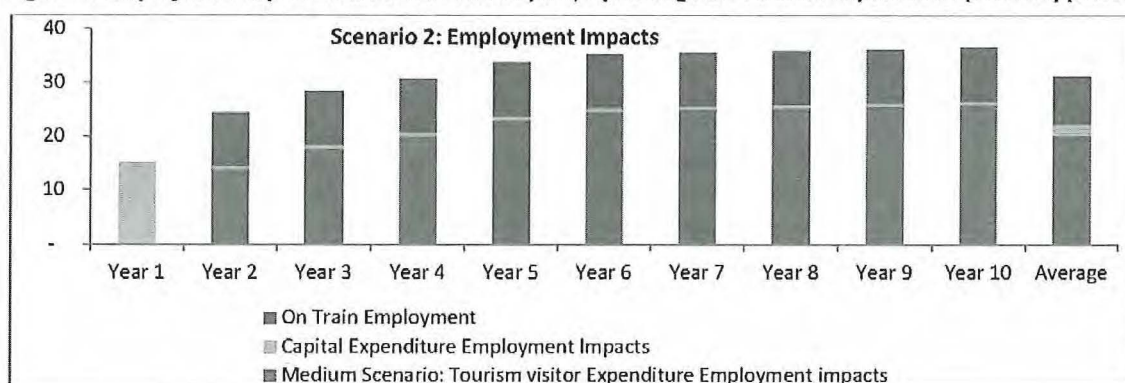


Source: Same as Figure 1

The initial capital stimulus required for the project during the construction phase (Year 1) is estimated to directly support around 15 FTE jobs. In the first operational year (year 2) of MVR, the additional value added generated through the visitor expenditure coupled with the on train employment and small capital expenditure is estimated to support around 24 jobs in the region.

Over the 10 years of the analysis, MVR, on average, is estimated to directly support around 31 FTE jobs per annum in the Gympie region, as shown in Figure 4 below.

Figure 4: Employment impacts associated with Capital, Operating and Tourism expenditure (Jobs supported)



Source: Same as Figure 1

Mary Valley Rattler – Regional economic analysis, Confidential and Draft Report

Concluding Remarks

This report prepared by the OCE provides estimates of the direct regional economic impacts of the MVR focusing on two potential operating scenarios based on the information provided by EarthCheck. The OCE has also used other data sources including the latest regional tourism satellite accounts for 2013-14 to help estimate the potential regional economic impacts in terms of employment (noting the MVR has traditionally used a large volunteer workforce) and economic output supported directly by project related expenditure and estimated regional visitor expenditure. This report is subject to update in line with new information.

Appendix A: Methodology and Key Assumptions

Overview

The regional economic impact assessment is based on two scenarios and includes three types of expenditure including gross visitor expenditure, capital expenditure and operating expenditure associated with the MVR. The information regarding the scenarios and associated capital and operating expenditure profiles and visitor numbers were provided by EarthCheck.

The Regional economic impacts are estimated for two scenarios including Scenario 1: Gympie to Amamoor and Scenario 2: Gympie to Monkland.

Scenario 1: Gympie to Amamoor

This scenario accounts for steel sleepers from Gympie to Amamoor, a refurbishment of Old Gympie Station and removal of the track from Amamoor to Imbil

Scenario 2: Gympie to Monkland

This scenario accounts for steel sleepers from Gympie to Monkland, relocation of a turntable to Monkland, a refurbishment of Old Gympie Station and removal of the track from Monkland to Imbil.

Methodology

The regional economic assessment for both aforementioned scenarios includes three types of expenditures including gross visitor expenditure, capital expenditure and operating expenditure associated with the MVR.

The methodology used to estimate the GVA and employment impacts associated with the tourist visitor expenditure is shown in Figure A1 below. The methodology includes gross expenditure associated with the MVR including expenditure on train by visitors and staff as well as expenditure in the region (i.e. by passengers after they leave the train in the region). This is fitting given the purpose of the analysis is to estimate the economic impacts from the regional perspective.

The methodology used to estimate the GVA and employment impacts associated with the capital expenditure stream of MVR is shown in Figure A2.

The wages and salaries and direct cost of sales and services associated with the operational phase of the MVR are used as a proxy to estimate the value added impacts of the operational expenditure stream of MVR. The breakdown of the operational expenditure stream of MVR is provided by EarthCheck.

Figure A1: GVA and employment impacts methodology associated with tourism expenditure

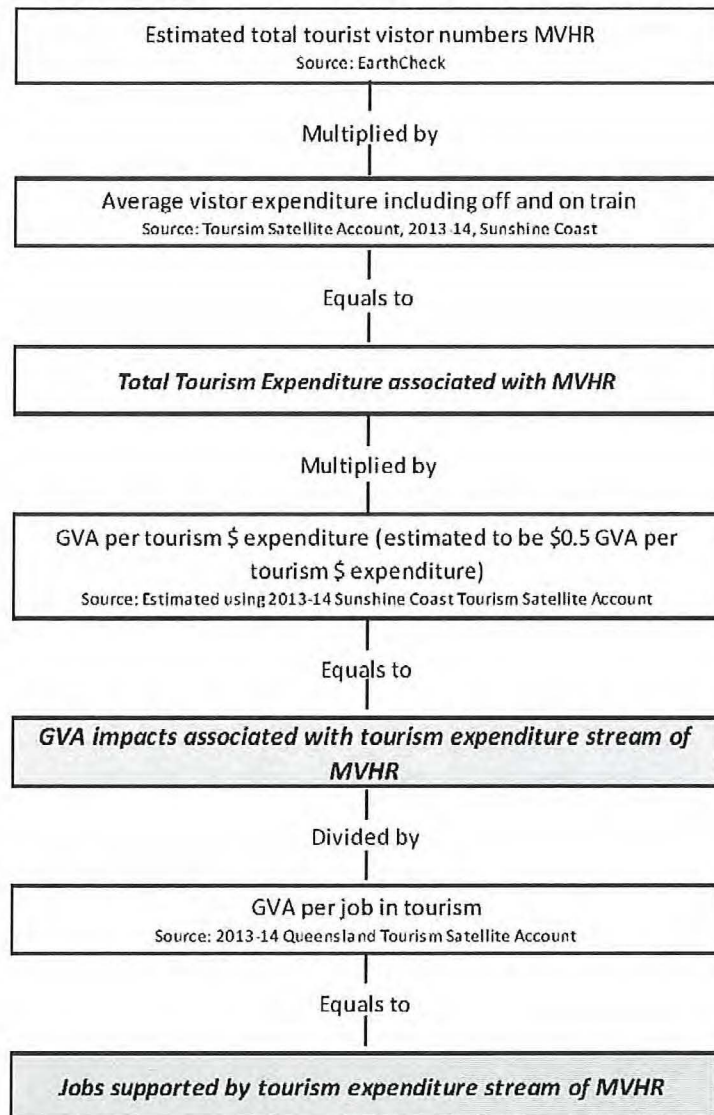
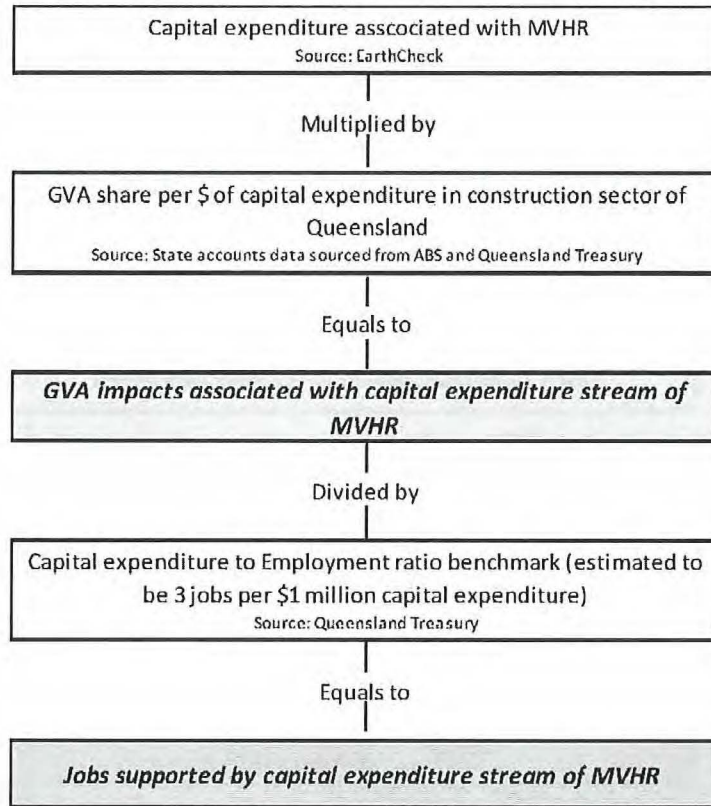


Figure A2: GVA and employment impacts methodology associated with capital expenditure

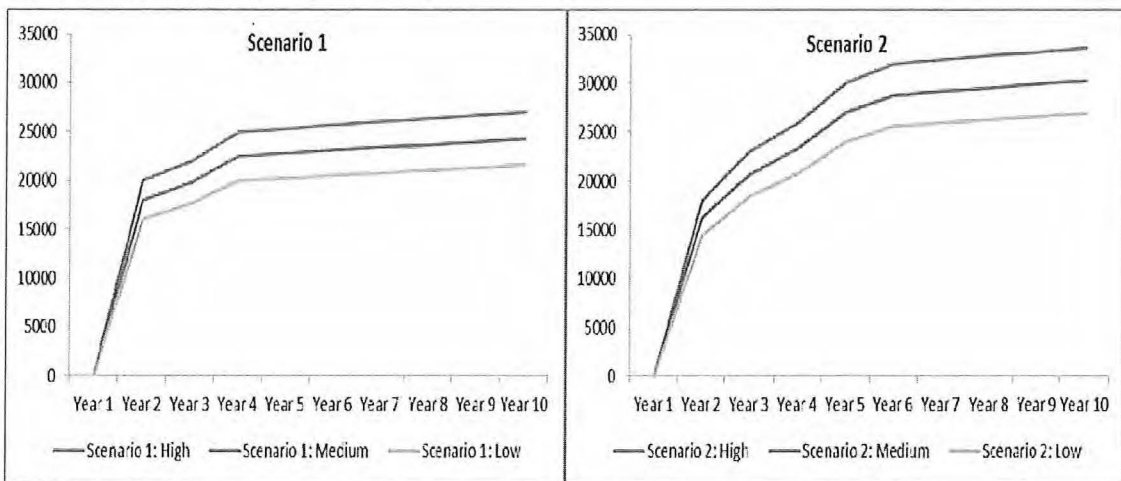


Key Assumptions

Visitor numbers

The visitor numbers used in the analysis are sourced from EarthCheck. For each of the two aforementioned scenarios, EarthCheck estimated three visitor streams including High, Medium and Low. For the purpose of economic impact analysis, OCE has used the medium scenario visitor numbers to remain on the conservative side. 90% of these visitors are assumed to be new to the Gympie region (i.e. 10% of total MVR visitors live in Gympie and are therefore not considered to be additional as a result of 'expenditure switching' of local residents in economic impact terms). The tourism visitor number profiles including high, medium and low under scenarios 1 and 2 are reported in the Figure A3 below.

Figure A3: Total visitors MVR, Scenario 1



Source: EarthCheck

Average Expenditure per visitor

Average expenditure of day trippers (per trip) in the region is estimated to be \$113¹ and this is used as a proxy to capture the expenditure by visitors both on and off the train. This is based on the average spend by day trippers in the Sunshine coast region². This is fitting given the purpose of the analysis is to estimate the economic impacts from the regional perspective rather than just for the train itself.

It is assumed that tourists visit purely for the steam train (i.e. they either would not have come to the region for the day-trip or cut their trip short to not use the MVR and thus not spent their planned day trip and associated expenditure). The steam train tourism market is niche and many people purely visit due to the 'experience' provided by the steam train itself.

¹ Tourism Research Australia, Local government area profiles. Average domestic day expenditure in Gympie in 2013 was \$79 while Sunshine Coast and Brisbane day visitors on average spent around \$90 and \$105 respectively. A range of \$80-100 was used in this desktop analysis.

² Regional Tourism Satellite account, Sunshine Coast, 2013-14

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Tourism expenditure to GVA relationship

Gross value added associated with tourism expenditure (both off and on train) in the region is assumed to account for around 50 cents per dollar of additional gross visitor expenditure in the region generated through export final demand. This is estimated using data sourced from 2013-14 Sunshine Coast tourism satellite account.

Gross value added per tourism job relationship

At the state level, gross value added per job in tourism was around \$75,000 in 2013-14³. This is adjusted downwards (by a factor of 1.25) to around \$60,000 to reflect higher average GVA per FTE in the state as a whole relative to the Gympie region based on internal DSD estimates. This is also broadly consistent with the GVA per job in the Sunshine Coast region based on the latest tourism satellite accounts for 2013-14.

Capital expenditure to GVA relationship

Gross value added in terms of the capital expenditure in the region is assumed to account for around 39 cents per dollar of additional capital expenditure in the region on average. This is estimated using data sourced from Queensland Treasury and ABS.

Capital expenditure per job supported relationship

A factor of 3 jobs supported per million dollar of capital expenditure is used to estimate the employment impacts associated with the capital expenditure on average. This is based on average estimates from the latest State Budget from Queensland Treasury and was also used to estimate the average jobs supported of the Department's Building Our Region program. It is noted that the MVR has traditionally used a large volunteer workforce.

Operating expenditure to GVA

The wages and salaries and direct cost of sales and services associated with the operational phase of the MVR are used as a proxy to estimate the value added impacts of the operational expenditure stream of MVR. The breakdown of the operational expenditure stream of MVR is provided by EarthCheck. It is noted that the MVR has traditionally used a large volunteer workforce.

³ Based on Queensland Tourism Satellite Accounts
Mary Valley Rattler – Regional economic
analysis, Confidential and Draft Report
- 9 -

Melissa Burow

From: Bob Torenbeek <Bob.Torenbeek@dilgp.qld.gov.au>
Sent: Friday, 17 February 2017 11:50 AM
To: Kim Mahoney
Subject: RE: Gympie Regional Council - Mary Valley Rattler Community Holdings Ltd - Rattler Railway Company

Thanks Kim

I had telephoned Sherry this morning requesting further information.

While I have not heard back from her directly, this is good news.

It will be interesting to see just what Sherry does send through and I will forward onto you as soon as it arrives.

Kind regards
Bob

Bob Torenbeek

Advisor

Department of Infrastructure, Local Government and Planning

Level 3, 12 First Av Maroochydore QLD 4558

p. 07 5352 9712 | m. [Refused under section 4] | e. bob.torenbeek@dilgp.qld.gov.au

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From: Kim Mahoney
Sent: Friday, 17 February 2017 11:31 AM
To: Bob Torenbeek
Subject: FW: Gympie Regional Council - Mary Valley Rattler Community Holdings Ltd - Rattler Railway Company

Bob – it seems Council owns it so this should get us across that line.

Cheers Kim

Kim Mahoney

Acting Director Finance and Funding

Local Government and Regional Services

Department of Infrastructure, Local Government and Planning

Level 12, 1 William St Brisbane QLD 4000

p. [Refused under section 4] | m. [Refused under section 4] | e. kim.mahoney@dilgp.qld.gov.au

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From: Bill Lewis
Sent: Friday, 17 February 2017 11:21 AM
To: Kim Mahoney
Cc: Alicia Fava; Angela Johnson
Subject: FW: Gympie Regional Council - Mary Valley Rattler Community Holdings Ltd - Rattler Railway Company

Hi Kim

Please refer to the email below and the attached in relation to the establishment of the Rattler Railway Company Ltd and Mary Valley Rattler Community Holdings Ltd.

I will send through another email shortly detailing the money Gympie Regional Council has already allocated for the project.

Regards
Bill



Bill Lewis
Executive Director
Major Projects & Property
Department of State Development

P [redacted] M [redacted] Refused under section 47F of the Freedom of Information Act 2009
Level 16, 1 William Street, Brisbane QLD 4000
PO Box 15009, City East QLD 4002
www.statedevelopment.qld.gov.au

From: Sherry Lowe [<mailto:Sherry.Lowe@gympie.qld.gov.au>]
Sent: Friday, 17 February 2017 9:28 AM
To: Bill Lewis
Cc: Bernard Smith
Subject: Gympie Regional Council - Mary Valley Rattler Community Holdings Ltd - Rattler Railway Company

Good morning Bill,

Gympie Regional Council is the foundation member of the Rattler Railway Company from 2014, and is a controlled entity of Council.

The Rattler Railway Company currently has four Directors:

- Ian McNicol
- Garry Davison
- Peter Blashki
- Tony Hallam

It should be noted that there are vacancies, and when funding is secured, skilled based Directors will be sourced.

I have attached the Rattler Railway Company's Constitution for your information.

Kind regards,



Executive Assistant
Office of the Chief Executive Officer

Gympie Regional Council
242 Mary Street (PO Box 155)
Gympie Qld 4570



sherry.lope@gympie.qld.gov.au
www.gympie.qld.gov.au



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Melissa Burow

From: Bob Torenbeek <Bob.Torenbeek@dilgp.qld.gov.au>
Sent: Friday, 17 February 2017 1:03 PM
To: Kim Mahoney
Cc: Patricia McKay
Subject: FW: Gympie Regional Council-QR Leases
Attachments: image001.gif@01D1F974.B647DAE0

Good afternoon Kim

Please see the email below from Sherry in relation to the ownership details for the Gympie Rattler.

Kind Regards
Bob

Bob Torenbeek

Advisor

Department of Infrastructure, Local Government and Planning

Level 3, 12 First Av Maroochydore QLD 4558

p. 07 5352 9712 | m. Refused under section | e. bob.torenbeek@dilgp.qld.gov.au

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From: Sherry Lowe [mailto:Sherry.Lowe@gympie.qld.gov.au]
Sent: Friday, 17 February 2017 12:57 PM
To: Alicia Fava
Cc: Angela Johnson; Bob Torenbeek; Bernard Smith
Subject: Gympie Regional Council-QR Leases

Good afternoon Alicia,

As per discussions with Angela and Bob, a request has been placed with QR for written confirmation on the mortgage and lease arrangements.

Bernard has phoned [REDACTED] to confirm approximate timeframes of this confirmation and he has advised mid next week.

Noting this, [REDACTED] would welcome a phone call from yourself to clarify the details. I have included his details below.

Feel free to give Bernard a call to clarify any further details.

[REDACTED]
Legal Counsel

Rail Centre 1, Level 8, 305 Edward Street

GPO Box 1429 • Brisbane, Qld 4001

T: [REDACTED] M: Refused under section F: [REDACTED]



Kind regards,

Sherry Lowe

Executive Assistant
Office of the Chief Executive Officer

Gympie Regional Council
242 Mary Street (PO Box 155)
Gympie Qld 4570



sherry.lowe@gympie.qld.gov.au

www.gympie.qld.gov.au



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Melissa Burow

From: [REDACTED]
Sent: Friday, 17 February 2017 1:49 PM
To: Kim Mahoney
Cc: Craig D England
Subject: Mary Valley Branch Line

Importance: High

Hi Kim,

Further to our telephone discussion, I can confirm that Craig England, Manager (Rail Corridor Management) (Ph: 3066 7418) from the Department of Transport and Main Roads is working with the relevant stakeholders to issue a new rail corridor sublease. I have cc'd Craig into this email and can confirm that Queensland Rail has had no involvement in these discussions. Queensland Rail last held an interest in this corridor back in 1998 which was immediately prior to the Mary Valley Heritage Railway Museum Association Inc (being the previous Rattler operator) taking over responsibility for the line.

It is important to note that Queensland Rail does have some corporate land along the Mary Valley branch line. Most significantly is a large parcel of land at old Gympie station which is used for car parking and rollingstock maintenance/storage. Along with other parcels of land at Amamoor and Monkland, Queensland Rail is currently working with the Gympie Regional Council to grant new property arrangements to allow Council to use and occupy these areas. Our Property Section is currently working through our usual process in this regard.

There is a long history to this matter and I'd be happy to discuss this with you in more detail if required.

Do not hesitate to contact me on my direct line [REDACTED] or by email if you have any further questions.

Regards,



[REDACTED]
Legal Counsel
Rail Centre 1, Level 8, 305 Edward Street
GPO Box 1429 • Brisbane, Qld 4001
T: [REDACTED] M: [REDACTED] F: [REDACTED]

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Melissa Burow

From: Bronwyn Blagoev <Bronwyn.Blagoev@dilgp.qld.gov.au>
Sent: Monday, 20 February 2017 8:25 AM
To: Kim Mahoney
Subject: Fwd: Mary Valley Rattler W4Q funding

Hi, FYI, suggest the status of ownership is firmed up in due course. I was still a tad confused given councils email

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From: Frankie Carroll
Sent: Sunday, February 19, 2017 7:43:57 AM
To: Bronwyn Blagoev
Subject: Re: Mary Valley Rattler W4Q funding

Bron,

There is a section in the guidelines that allow for this

- $\text{I}\nu\epsilon\lambda\gamma\iota\beta\lambda\epsilon\ \omega\omicron\rho\kappa\sigma\ \alpha\rho\epsilon\ \delta\epsilon\phi\iota\nu\epsilon\delta\ \alpha\sigma$ works constructed on land not owned or controlled by the applicant, except where it has permission to construct on Queensland Government-owned land

Regards,

Frankie Carroll
Director-General
Department of Infrastructure, Local Government and Planning

P.  E. frankie.carroll@dilgp.qld.gov.au

On 19 Feb. 2017, at 7:30 am, Bronwyn Blagoev <Bronwyn.Blagoev@dilgp.qld.gov.au> wrote:

Frankie, leave this with us. My view is that the preliminary approval is still the appropriate way forward, allowing us to work with council and QR to make necessary arrangements for the vesting of the land.

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From: Frankie Carroll
Sent: Saturday, February 18, 2017 4:02:43 PM
To: Bronwyn Blagoev
Subject: FW: Mary Valley Rattler W4Q funding

Bron,
For your information.
Sarah

On behalf of

Frankie Carroll
Director-General
Department of Infrastructure, Local Government and Planning
p. [REDACTED] | e. frankie.carroll@dilgp.qld.gov.au

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From: Bernard Smith [<mailto:Bernard.Smith@gympie.qld.gov.au>]
Sent: Saturday, 18 February 2017 11:54 AM
To: Frankie Carroll
Cc: Cr Mick Curran; Bernard Smith
Subject: Mary Valley Rattler W4Q funding

Morning Frankie, I hope this will clarify the situation to your satisfaction understanding the importance of complying with the funding guidelines.

We had answered the specific queries this week regarding QR and land but have probably failed to explain the full situation including most importantly, the situation regarding the assets to which the funding is to be applied as distinct from the land they sit on.

The funding guidelines state,
Ineligible projects under the W4Q include, but are not limited to works constructed on land not owned or controlled by the applicant, except where it has permission to construct on Queensland Government-owned land
The works comply with the guidelines in that they will be on Queensland Government owned land with permission. In reality the land will be leased either direct to Council or a controlled entity.

The guidelines also state that the funds need to be applied to council owned assets. Council already owns the rolling stock. The buildings and track infrastructure including bridges will be owned by the Council with the Rattler Railway Company, an entity established by council and obviously a controlled entity, operating the business. The funds will be applied to the buildings, rolling stock and track infrastructure.

With regard to the ability to deliver it needs to be noted that enormous time has been spent on the project over the last couple of years including designated project officers within DSD. DSD prepared the detailed business plan. It also needs to be noted that the railway operated in 2012 so whilst infrastructure needs work much of it is close to operational now. QR is keen to make it happen given it will relieve them of a maintenance liability on an asset(land) they have no use for.

The buildings require some general maintenance and compliance work as well as some minor remodelling to improve functionality. This can be easily achieved within the timeframe.

The rolling stock was operational in 2012 and not the cause of the cessation but will be improved, a boiler was removed this week to allow better inspection and it was

in better condition than thought, and a local engineering firm is assisting so no problems are foreseen. There is also the option of leasing a locomotive from QR. 3 Carriages are to be leased from QR but no funds are needed to be spent on them.

Extensive investigations have been undertaken regarding the track and bridges, all bridges were serviceable in 2012 but will be worked on where needed.

The main cause of the service ceasing was the track. Lengthy discussions with Aurizon and QR have been held as well as investigations by QR and GHD. The reason the capital spend increased some time ago was the correct view of DSD that the track is the main ongoing liability and steel or concrete sleepers need to be used to significantly reduce future maintenance costs. Aurizon has indicated 84 calendar days will be required for the works and they are keen to do the works noting proper procurement practices need to be followed.

To summarise, the funds will be applied to Council owned assets which sit on Queensland Government owned land.

The project has many dimensions and we have been remiss in not fully explaining it following the enquiries this week. I trust this does that.

Obviously happy to discuss further.

You have my home phone but if I am out my mobile is Refused under section

Regards.

Bernard

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Melissa Burow

From: Bronwyn Blagoev <Bronwyn.Blagoev@dilgp.qld.gov.au>
Sent: Monday, 20 February 2017 9:45 AM
To: Kim Mahoney; Jane Hodgkinson; Frankie Carroll
Subject: Mary Valley

Hi All

I spoke to Bernard today who advised:

1. Rolling stock – owned by council so eligible.
 2. Land/Buildings – on State land at the moment so to be eligible Council needs to demonstrate permission from QR or control of the land (licence/lease).
- Lease negotiations underway with QR (3 months in). Expecting a lease to be executed in 1-2 months.

I suggested to Bernard that he may wish to procure a letter of permission or a licence from QR urgently, to be provided whilst lease negotiations are underway. He will speak to QR about this.

At this stage, we can only issue a preliminary approval i.e. an approval subject to Council providing us with permission/control evidence in due course. I am confident council will get there and we can fund this but it will take some time for Council to provide us with this evidence.

Jane, will call about media implications.

Bronwyn Blagoev
Acting Deputy Director-General
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 39, 1 William Street Brisbane QLD 4000
p. [REDACTED] | e. Bronwyn.blagoev@dilgp.qld.gov.au

Melissa Burow

From: Bronwyn Blagoev <Bronwyn.Blagoev@dilgp.qld.gov.au>
Sent: Monday, 20 February 2017 2:53 PM
To: Kim Mahoney; Frankie Carroll; Jane Hodgkinson
Subject: Mary Valley

Hi All – just so everyone is across this – DTMR will be contacting council shortly to discuss the permission issue. I understand its all fine and a proposed lease has now been sent to council. DTMR is also prepared to issue a written permission to council should it look like the lease will take any longer than a week to execute.

DTMR will discuss further with Council to get it moving.

Bronwyn Blagoev
Acting Deputy Director-General
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 39, 1 William Street Brisbane QLD 4000
p. [REDACTED] e. Bronwyn.blagoev@dilgp.qld.gov.au

Melissa Burow

From: Craig D England <Craig.D.England@tmr.qld.gov.au>
Sent: Thursday, 2 March 2017 10:41 AM
To: Kim Mahoney
Cc: Patricia McKay; Jessica Morgan
Subject: RE: Mary Valley Rattler

Hi Kim,

Will send an email once the sublease is executed by both parties.

Kind regards,

Craig England
Manager
Rail Corridor Management
Strategic Property Management | Department of Transport and Main Roads

Floor 4| Terrica Place| 140 Creek Street Brisbane Qld 4000
GPO Box 1412 | Brisbane Qld 4001
P: [REDACTED] M: [Refused under section 477 of the Freedom of Information Act 2009]
E: craig.d.England@tmr.qld.gov.au
W: www.tmr.qld.gov.au

From: Kim Mahoney [mailto:Kim.Mahoney@dilgp.qld.gov.au]
Sent: Thursday, 2 March 2017 9:49 AM
To: Craig D England <Craig.D.England@tmr.qld.gov.au>
Cc: Patricia McKay <Patricia.McKay@dilgp.qld.gov.au>; Jessica Morgan <Jessica.Morgan@dilgp.qld.gov.au>
Subject: Mary Valley Rattler

Hi Craig,

Thank you very much for the update earlier.

As discussed I will update Patti (copied in) and ask her to keep an eye out for your email letting us know when the sublease is signed and council has permission to enter the land.

If you can also give us words around the registration issue we can flag this in the brief so the DG and DP are across the details of where the project is at in terms of the guidelines and the endorsement the DP will need to provide (for the project) before the money can be paid to Council.

I have copied in the office who is actioning the brief also so she is across it the next steps)

Thank you again for your assistance.

Cheers Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] | m. [Refused under section 477 of the Freedom of Information Act 2009] | e. kim.mahoney@dilgp.qld.gov.au

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Kim Mahoney

From: Bronwyn Blagoev
Sent: Friday, 3 March 2017 10:54 AM
To: Kim Mahoney
Subject: RE: HP Records Manager Records

Yes please, even if you want to shot him an email and cc me into it so he can have my details and I can monitor it.

-----Original Message-----

From: Kim Mahoney
Sent: Friday, 3 March 2017 10:52 AM
To: Bronwyn Blagoev
Subject: RE: HP Records Manager Records

Thanks Bronwyn - I will let the team know.

Yes I have the impression in the next couple of days but I wouldn't bank on it just yet.

Craig from DTMR is going to keep us in the loop - he was confident but there is still one condition to resolve. I was erring on the side of caution and giving DTMR a little leeway. We can ask Craig to let us know when it goes to Council, rather than when it is back, if this is what you are after?

Cheers Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning Level 12, 1 William St Brisbane QLD 4000 p. [REDACTED]
[REDACTED] m. [REDACTED] | e. kim.mahoney@dilgp.qld.gov.au Customers first | Ideas into action | Unleash potential | Be
courageous | Empower people

-----Original Message-----

From: Bronwyn Blagoev
Sent: Friday, 3 March 2017 10:47 AM
To: Kim Mahoney
Subject: RE: HP Records Manager Records

Hi - just briefly.

1. Info was excellent for ELT - everyone happy. I read through it all thoroughly and its perfect, great work.
2. Yes to the change in dates so they all line up with the IPO dates.
3. Did you get the impression that council would have the sub-lease for execution in a few days?

-----Original Message-----

From: Kim Mahoney
Sent: Friday, 3 March 2017 8:14 AM
To: Bronwyn Blagoev
Subject: HP Records Manager Records
Importance: High

Hi Bronwyn,

Three things for W4Q:

1. Monthly Reporting

Just in case you don't get to get the hard copy.

The first document is a bit wordy but some points for you if you cannot recall all our discussions.

Lynn and Michael have done a good job on this it just needs to be polished with Zoe (reporting and end of month timing) and Poonam (submission of info via portal) and finalised for the IPO and the regional advisors. This should happen by the end of next week.

2. Irrelevant information deleted under section 73(2)

3. Mary Valley Rattler is about 2 weeks away - DTMR are progressing very well with the Council and the Rattler company. We will be advised as soon as sublease is signed. We have drafts of briefs etc. done so when advice provided (by Council) we can progress in a matter of a day or two.

Let me know if you need anything further.

Cheers Kim

-----< HP Records Manager Record Information >-----

Record Number: D17/57050
Title : reporting overview for DDG

-----< HP Records Manager Record Information >-----

Record Number: D17/40019
Title : For use by Regional Advisors - Works for Queensland W4Q monthly report

-----< HP Records Manager Record Information >-----

Record Number: D17/27629
Title : Example - Master spreadsheet for monthly report - February

-----< HP Records Manager Record Information >-----

Record Number: D17/27593
Title : WFQ certificate form final payment

-----< HP Records Manager Record Information >-----

Record Number: D17/27526
Title : WFQ certificate form second payment

Kim Mahoney

From: Bronwyn Blagoev
Sent: Friday, 3 March 2017 11:31 AM
To: Kim Mahoney; Craig D England
Cc: Patricia McKay; Jessica Morgan
Subject: RE: Mary Valley Rattler

Thanks Kim and Craig for your continued efforts on this one.

I believe this matter has been discussed with the Deputy Premier and she is, understandably, keen to have the lease in the hands of the council urgently for execution so thank you for your continued help.

Cheers

Bronwyn Blagoev
Acting Deputy Director-General
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 39, 1 William Street Brisbane QLD 4000
p. [REDACTED] | e. Bronwyn.blagoev@dilgp.qld.gov.au

From: Kim Mahoney
Sent: Friday, 3 March 2017 11:28 AM
To: Craig D England
Cc: Patricia McKay; Jessica Morgan; Bronwyn Blagoev
Subject: RE: Mary Valley Rattler

Hi Craig,

A quick update – my DDG, Bronwyn has provided an update to our ELT on the W4Q including the Rattler.

Are you able to provide advice when the sublease has been provided to Council – keen to know when it is with them so if there are any questioning on timing we know where it is at and how long it is or isn't with Council.

I have copied Bronwyn in so you have her details too. It would be great if you can include her in your update to Patti.

Thanks.

Regards Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
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Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] | m. [REDACTED] | e. kim.mahoney@dilgp.qld.gov.au

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From: Craig D England [<mailto:Craig.D.England@tmr.qld.gov.au>]
Sent: Thursday, 2 March 2017 10:41 AM
To: Kim Mahoney
Cc: Patricia McKay; Jessica Morgan
Subject: RE: Mary Valley Rattler

Hi Kim,

Will send an email once the sublease is executed by both parties.

Kind regards,

Craig England
Manager
Rail Corridor Management
Strategic Property Management | Department of Transport and Main Roads

Floor 4| Terrica Place| 140 Creek Street Brisbane Qld 4000
GPO Box 1412 | Brisbane Qld 4001
P: [REDACTED] M: [REDACTED]
E: craig.d.England@tmr.qld.gov.au
W: www.tmr.qld.gov.au

From: Kim Mahoney [<mailto:Kim.Mahoney@dilgp.qld.gov.au>]
Sent: Thursday, 2 March 2017 9:49 AM
To: Craig D England <Craig.D.England@tmr.qld.gov.au>
Cc: Patricia McKay <Patricia.McKay@dilgp.qld.gov.au>; Jessica Morgan <Jessica.Morgan@dilgp.qld.gov.au>
Subject: Mary Valley Rattler

Hi Craig,

Thank you very much for the update earlier.

As discussed I will update Patti (copied in) and ask her to keep an eye out for your email letting us know when the sublease is signed and council has permission to enter the land.

If you can also give us words around the registration issue we can flag this in the brief so the DG and DP are across the details of where the project is at in terms of the guidelines and the endorsement the DP will need to provide (for the project) before the money can be paid to Council.

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Thank you again for your assistance.

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Kim Mahoney

From: Craig D England <Craig.D.England@tmr.qld.gov.au>
Sent: Friday, 3 March 2017 11:51 AM
To: Bronwyn Blagoev; Kim Mahoney
Cc: Patricia McKay; Jessica Morgan
Subject: RE: Mary Valley Rattler

Morning all.

Will advise ASAP when the sublease is in the hands of the RRC and again when it is executed by the parties.

Kind regards,

Craig England
Manager
Rail Corridor Management
Strategic Property Management | Department of Transport and Main Roads

Floor 4| Terrica Place| 140 Creek Street Brisbane Qld 4000
GPO Box 1412 | Brisbane Qld 4001
P: [REDACTED] M: [REDACTED] Refused under section 477
E: craig.d.England@tmr.qld.gov.au
W: www.tmr.qld.gov.au

From: Bronwyn Blagoev [mailto:Bronwyn.Blagoev@dilgp.qld.gov.au]
Sent: Friday, 3 March 2017 11:31 AM
To: Kim Mahoney <Kim.Mahoney@dilgp.qld.gov.au>; Craig D England <Craig.D.England@tmr.qld.gov.au>
Cc: Patricia McKay <Patricia.McKay@dilgp.qld.gov.au>; Jessica Morgan <Jessica.Morgan@dilgp.qld.gov.au>
Subject: RE: Mary Valley Rattler

Thanks Kim and Craig for your continued efforts on this one.

I believe this matter has been discussed with the Deputy Premier and she is, understandably, keen to have the lease in the hands of the council urgently for execution so thank you for your continued help.

Cheers

Bronwyn Blagoev
Acting Deputy Director-General
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 39, 1 William Street Brisbane QLD 4000
p. [REDACTED] e. Bronwyn.blagoev@dilgp.qld.gov.au

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Cc: Patricia McKay; Jessica Morgan; Bronwyn Blagoev
Subject: RE: Mary Valley Rattler

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Thanks.

Regards Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] m. [REDACTED] e. kim.mahoney@dilgp.qld.gov.au

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Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [redacted] m. [redacted] e. kim.mahoney@dilgp.qld.gov.au

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Kim Mahoney

From: Lisa Pollard
Sent: Friday, 3 March 2017 5:43 PM
To: Kim Mahoney
Cc: Bronwyn Blagoev
Subject: RE: W4Q Preliminary Approvals

Thanks

L

From: Kim Mahoney
Sent: Friday, 3 March 2017 5:42 PM
To: Lisa Pollard
Cc: Bronwyn Blagoev
Subject: RE: W4Q Preliminary Approvals

Lisa – question from below and out chat.

- PA – preliminary approval.
- MBN17/166
- Sorry can't be more specific on the timing question of councils getting back to us. I would presume the Councils will get back to us as a priority given they are waiting for the money – especially Gympie.

- Irrelevant information deleted under section 73(2)

Regards Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [REDACTED] | m. [REDACTED] | e. kim.mahoney@dilgp.qld.gov.au

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From: Lisa Pollard
Sent: Friday, 3 March 2017 5:34 PM
To: Kim Mahoney
Subject: Re: W4Q Preliminary Approvals

Thanks a what is a PA?

Lisa Pollard
General Manager – Infrastructure Portfolio Office
Department of Infrastructure, Local Government and Planning
Level 17, 41 George St Brisbane QLD 4000
Mob. [REDACTED]
p. [REDACTED] | e. Lisa.pollard@dilgp.qld.gov.au

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From: Kim Mahoney
Sent: Friday, March 3, 2017 5:20:49 PM
To: Lisa Pollard
Cc: Bronwyn Blagoev; David Murray; John O'Halloran
Subject: W4Q Preliminary Approvals

Hi Lisa,

There are 3 PAs under the W4Q. Their details and status are:

- Irrelevant information deleted under section 73(2)
- [Redacted]
- Gympie – Mary Valley Heritage Rail (The Valley Rattler) – DTMR are working with Council (the rattler company) to finalise a sublease for the land owned by the state. This is likely to be provided to council in the coming week. Once Council receives, signs and provides to DTMR and advice of same to DILGP the endorsement process (council advice, assessment of eligibility, panel confirmation, BN prepared) as per all other projects can occur.

Regards Kim

Kim Mahoney
Acting Director Finance and Funding
Local Government and Regional Services
Department of Infrastructure, Local Government and Planning
Level 12, 1 William St Brisbane QLD 4000
p. [Redacted] | m. [Redacted] | e. kim.mahoney@dilgp.qld.gov.au

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Kim Mahoney

From: Lisa Pollard
Sent: Friday, 3 March 2017 5:52 PM
To: Kim Mahoney
Subject: FW: W4Q Preliminary Approvals

FYI – thanks

L

From: Lisa Pollard
Sent: Friday, 3 March 2017 5:52 PM
To: 'Kate Griffiths'
Cc: Bronwyn Blagoev; Darren Crombie; 'Jason Wishart'
Subject: W4Q Preliminary Approvals

Hi Kate

As we discussed, there are three preliminary approvals for W4Q.

- Irrelevant information deleted under section 73(2)
- [Redacted]
- [Redacted]
- Gympie – Mary Valley Heritage Rail (The Valley Rattler) – DTMR are working with Council (the rattler company) to finalise a sublease for the land owned by the state. This is likely to resolved in the coming week and final endorsements and BN to come through soon after.

Lisa Pollard
General Manager – Infrastructure Portfolio Office
Department of Infrastructure, Local Government and Planning
Level 17, 41 George St Brisbane QLD 4000
Mob. [Redacted] | e. Lisa.pollard@dilgp.qld.gov.au

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Melissa Burow

From: Scott Hayden <Scott.Hayden@dilgp.qld.gov.au>
Sent: Tuesday, 14 March 2017 2:27 PM
To: Scott Hayden
Subject: FW: Mary Valley Rattler

From: Craig D England [mailto:Craig.D.England@tmr.qld.gov.au]
Sent: Tuesday, 14 March 2017 12:28 PM
To: Patricia McKay
Cc: Jessica Morgan; Bronwyn Blagoev; Kim Mahoney
Subject: RE: Mary Valley Rattler

Hi Patti,

Apologies, in Bundaberg at the moment. I can confirm the parties have executed the sublease and the sublease was lodged in titles this morning.

Kind regards,

Craig England
Manager
Rail Corridor Management
Strategic Property Management | Department of Transport and Main Roads

Floor 4| Terrica Place| 140 Creek Street Brisbane Qld 4000
GPO Box 1412 | Brisbane Qld 4001
P: [REDACTED] M: [REDACTED] [Refused under section]
E: craig.d.England@tmr.qld.gov.au
W: www.tmr.qld.gov.au

Melissa Burow

From: Scott Hayden <Scott.Hayden@dilgp.qld.gov.au>
Sent: Tuesday, 14 March 2017 2:30 PM
To: tracey.omeara@premiers.qld.gov.au; david.jackson@treasury.qld.gov.au; Jason Wishart
Cc: Patricia McKay; Bob Torenbeek; Kim Mahoney; Jessica Morgan; Rob Metcalfe
Subject: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)
Attachments: FW: Mary Valley Rattler (8.19 KB)

Importance: High

Good afternoon,

Please find following summary for the W4Q project for Gympie RC that was given preliminary approval by the DP on 20 February 2017, subject to confirmation of ownership of the rail infrastructure. At 12:28 today (see email attached) TMR have confirmed that the parties have executed the sublease and the sublease was lodged in titles this morning.

Can you please review having regard to the W4Q guidelines and advise; in your role as a Panel member, if you are now happy to confirm the eligibility of this project for the DP to endorse.

Your early advice is appreciated so a brief can be progress to the DP.

Please let me know if you need anything further to provide your advice.

Gympie Regional Council	Mary Valley Heritage Rail (The Valley Rattler) Infrastructure	Economic development	W4Q funding for this project will be a share of the \$10.8M budget required to deliver infrastructure improvements to replace, restore and remediate Mary Valley Heritage Railway track infrastructure, rolling stock, bridges and buildings. This will ensure Railway is able to operate sustainably and provide an excellent level of service and experience for all visitors. Construction will support and create jobs in civil engineering, commercial construction, design and project management.	?Council assets - rolling stock, track (IPP), Timeframe? (F&F)The council is waiting on written confirmation from Queensland Rail that tenure has been transferred to it for the track and rolling stock. The council has advised this project is to be given top priority to complete within the designated timeframe. BT. would like to discuss \$4.7M for the Mary Valley Heritage Rail - ?business case, recent history, additional funding that will still be required (IPP)Business Case provided and contacts for DSD (other State funding) provided.BT. Confirm status of business case with DSD and tenure issues with TMR Panel is concerned with project and was not able to confirm as compliant based on information available. NOTE: DSD has provided funding for business case and is supportive of the business case subject to recommended actions being taken. the state has provided \$2.6M to the project to date. Council has allocated \$3.8M to the project and set up a related companies to progress the project. Ownership of the land has not been confirmed yet.
-------------------------	---	----------------------	--	--

Scott Hayden
Project Officer
Finance and Funding
Department of Infrastructure, Local Government and Planning
Level 12, 1 William Street Brisbane QLD 4000
p. [redacted] | e. scott.hayden@dilgp.qld.gov.au

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Melissa Burow

From: David Jackson <David.Jackson@treasury.qld.gov.au>
Sent: Tuesday, 14 March 2017 9:37 PM
To: Scott Hayden
Subject: RE: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)

Hi Scott - What does a sub-lease mean in terms of ownership? David

From: Scott Hayden [mailto:Scott.Hayden@dilgp.qld.gov.au]
Sent: Tuesday, 14 March 2017 2:30 PM
To: tracey.omeara@premiers.qld.gov.au; David Jackson; Jason Wishart
Cc: Patricia McKay; Bob Torenbeek; Kim Mahoney; Jessica Morgan; Rob Metcalfe
Subject: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)
Importance: High

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Scott Hayden
Project Officer
Finance and Funding

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Melissa Burow

From: Jason Wishart <Jason.Wishart@dilgp.qld.gov.au>
Sent: Tuesday, 14 March 2017 2:37 PM
To: Scott Hayden; tracey.omeara@premiers.qld.gov.au; David Jackson
Cc: Patricia McKay; Bob Torenbeek; Kim Mahoney; Jessica Morgan; Rob Metcalfe
Subject: RE: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)

supported

From: Scott Hayden
Sent: Tuesday, 14 March 2017 2:30 PM
To: tracey.omeara@premiers.qld.gov.au; David Jackson; Jason Wishart
Cc: Patricia McKay; Bob Torenbeek; Kim Mahoney; Jessica Morgan; Rob Metcalfe
Subject: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)
Importance: High

Good afternoon,

Please find following summary for the W4Q project for Gympie RC that was given preliminary approval by the DP on 20 February 2017, subject to confirmation of ownership of the rail infrastructure. At 12:28 today (see email attached) TMR have confirmed that the parties have executed the sublease and the sublease was lodged in titles this morning.

Can you please review having regard to the W4Q guidelines and advise; in your role as a Panel member, if you are now happy to confirm the eligibility of this project for the DP to endorse.

Your early advice is appreciated so a brief can be progress to the DP.

Please let me know if you need anything further to provide your advice.

Gympie Regional Council	Mary Valley Heritage Rail (The Valley Rattler) Infrastructure	Economic development	W4Q funding for this project will be a share of the \$10.8M budget required to deliver infrastructure improvements to replace, restore and remediate Mary Valley Heritage Railway track infrastructure, rolling stock, bridges and buildings. This will ensure Railway is able to operate sustainably and provide an excellent level of service and experience for all visitors. Construction will support and create jobs in civil engineering, commercial construction, design and project management.	?Council assets - rolling stock, track (IPP), Timeframe? (F&F)The council is waiting on written confirmation from Queensland Rail that tenure has been transferred to it for the track and rolling stock. The council has advised this project is to be given top priority to complete within the designated timeframe. BT. would like to discuss \$4.7M for the Mary Valley Heritage Rail - ?business case, recent history, additional funding that will still be required (IPP)Business Case provided and contacts for DSD (other State funding) provided.BT. Confirm status of business case with DSD and tenure issues with TMR Panel is concerned with project and was not able to confirm as compliant based on information available. NOTE: DSD has provided funding for business case and is supportive of the business case subject to recommended actions being taken. the state has provided \$2.6M to the project to date. Council has allocated \$3.8M to the project and set up a related companies to progress the project. Ownership of the land has not been confirmed yet.
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Scott Hayden
Project Officer
Finance and Funding

Department of Infrastructure, Local Government and Planning
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Melissa Burow

From: Nicole Johnson
Sent: Wednesday, 15 March 2017 10:14 AM
To: tracey.omeara@premiers.qld.gov.au; Jason Wishart; David Jackson
Cc: Scott Hayden; Patricia McKay; Kim Mahoney; Lisa Pollard
Subject: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)

Good morning Tracey, David and Jason,

I understand that there have been a few questions still floating around in relation to this grant application and just wanted to provide you hopefully with a level of comfort on this matter.

We are of the understanding from DSD and TMR that TMR are the site owner, council the lessee and like with most transport routes manage and maintain this route and infrastructure, and other groups who may sublease or operate facilities essentially assist council in managing this asset and associated rolling stock. As such, this grant can be made to council as the asset responsibility and accountability is that of council. I have still asked for more information on the file so that should further questions arise in the future or an RTI is undertaken this information is easily available.

We have now progressed a briefing note for this grant to be considered for approval.

Regards,
Nicole

From: Scott Hayden [mailto:Scott.Hayden@dilgp.qld.gov.au]
Sent: Tuesday, 14 March 2017 2:30 PM
To: tracey.omeara@premiers.qld.gov.au; David Jackson; Jason Wishart
Cc: Patricia McKay; Bob Torenbeek; Kim Mahoney; Jessica Morgan; Rob Metcalfe
Subject: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)
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Scott Hayden
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 Level 12, 1 William Street Brisbane QLD 4000
 p. [REDACTED] e. scott.hayden@dilgp.qld.gov.au

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Nicole Johnson
Acting Executive Director
Local Government & Regional Services
 Department of Infrastructure, Local Government and Planning
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 m. [REDACTED] t. [REDACTED] e. Nicole.Johnson@dilgp.qld.gov.au

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Melissa Burow

From: Tracey O'Meara <Tracey.O'Meara@premiers.qld.gov.au>
Sent: Wednesday, 15 March 2017 11:11 AM
To: Nicole Johnson; Jason Wishart; David Jackson
Cc: Scott Hayden; Patricia McKay; Kim Mahoney; Lisa Pollard
Subject: RE: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)

Thanks Nicole. I support the project proceeding for DP approval. I understand DSD is happy with the progress on actions and the tenure issues have been resolved.



Queensland
Government

Tracey OMeara

Director
Economic Policy
Department of the Premier of Cabinet

P [REDACTED] M [Refused under s6]
Level 30, 1 William Street, Brisbane QLD 4000
PO Box 15185, City East, QLD 4002



From: Nicole Johnson [mailto:Nicole.Johnson@dilgp.qld.gov.au]
Sent: Wednesday, 15 March 2017 10:14 AM
To: Tracey O'Meara <Tracey.O'Meara@premiers.qld.gov.au>; Jason Wishart <Jason.Wishart@dilgp.qld.gov.au>; David Jackson <david.jackson@treasury.qld.gov.au>
Cc: Scott Hayden <Scott.Hayden@dilgp.qld.gov.au>; Patricia McKay <Patricia.McKay@dilgp.qld.gov.au>; Kim Mahoney <Kim.Mahoney@dilgp.qld.gov.au>; Lisa Pollard <Elizabeth.Pollard@dilgp.qld.gov.au>
Subject: W4Q - Gympie Regional Council - Mary Valley Heritage Rail (The Valley Rattler Infrastructure)

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Sent: Tuesday, 14 March 2017 2:30 PM
To: tracey.omeara@premiers.qld.gov.au; David Jackson; Jason Wishart
Cc: Patricia McKay; Bob Torenbeek; Kim Mahoney; Jessica Morgan; Rob Metcalfe
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