

PROJECT AGREEMENT FOR THE CUNNAMULLA ARTESIAN HOT SPRINGS AND WARREGO RIVER WALK EXPERIENCE

An agreement between:

- the Commonwealth of Australia; and
- the State of Queensland

The output of this Agreement will be the construction of hot springs facilities and Warrego River walk experience at Cunnamulla.

Project Agreement for the Cunnamulla artesian hot springs and Warrego River walk experience

OVERVIEW

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) and should be read in conjunction with that Agreement and its Schedules, which provide information in relation to performance reporting and payment arrangements under the IGA FFR.

Purpose

2. This Agreement will support the delivery of artesian hot spring facilities (heated spa, pool and therapy complex) and a recreational river walk along the Warrego River (viewing platforms, picnic areas, exercise equipment, signage and lighting), to complement existing community and tourism facilities in Cunnamulla. The project will focus on providing Indigenous employment and broader social and economic benefits to the community.

Reporting Arrangements

3. The State will report against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments.

Financial Arrangements

4. The Commonwealth will provide an estimated total financial contribution to the State of \$4,995,955 exclusive of GST in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 – FORMALITIES

5. This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

6. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the State of Queensland (the State).

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and the State sign it and will expire three years from signing or on completion of the project, including final performance reporting and processing of final payments against milestones, unless terminated earlier or extended as agreed in writing by the Parties.

PART 2 – PROJECT OUTPUTS

Outputs

8. The output of this Agreement will be construction of hot springs facilities and Warrego River walk experience at Cunnamulla, including:
 - (a) Development of preliminary works documents including establishing a working committee, undertaking community consultation and developing a concept design plan.
 - (b) Finalising the project scope including the development of detailed a project management plan, project design and tender documents.
 - (c) Future performance milestones, including successful completion of construction milestones, and payments agreed; and revision of the Project Agreement accordingly.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

9. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of the Cunnamulla Artesian Hot Springs and Warrego River Walk Experience under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to the States to support the implementation of this Agreement;
 - (c) in accordance with the *Building and Construction Industry (Improving Productivity) Act 2016*, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2016 are only made where a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted;
 - (d) ensuring that compliance with the Code for the Tendering and Performance of Building Work 2016 (Building Code 2016) is a condition of Australian Government funding.

Role of the States and Territories

10. The State will be responsible for:
 - (a) all aspects of delivering on the project outputs set out in this Agreement;
 - (b) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (c) providing opportunities for Indigenous employment in the delivery of the project;

- (d) ensuring that only a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is/are contracted, and providing the necessary assurances to the Commonwealth
- (e) ensuring that compliance with the Building Code 2016 is made a condition of tender for and performance of building work by all contractors and subcontractors, and providing the necessary assurances to the Commonwealth.

Shared roles

- 11. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, by ensuring that prior agreement is reached on the nature and content of any events, announcements, promotional material or publicity relating to activities under this Agreement, and that the roles of both Parties will be acknowledged and recognised appropriately.

PART 4 – PROJECT MILESTONES, REPORTING AND PAYMENTS

- 12. Table 1 summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made. The Commonwealth will make payments subject to the annual performance report demonstrating the relevant milestone has been met.

Table 1: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
Construction of hot springs facilities and Warrego River walk experience at Cunnamulla	1. Development of preliminary works documents including establishing a working committee, undertaking community consultation and developing a concept design plan.	28/02/2020	\$250,000
	2. Finalising the project scope including the development of detailed project management plan, project design and tender documents, and future performance milestones, including establishment of construction milestones, and associated payments profile; and the Project Agreement updated accordingly.	30/11/2020	\$250,000
	Total funding		\$4.996 million
	Funding to be allocated		\$4.496 million

- 13. If a milestone is met in advance of the due date, where the relevant performance report demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

Reporting arrangements

14. The State will provide performance reports in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain a description of actual performance in the period to date against the project milestones.
15. The State will provide a completion report on the activities being funded in this Agreement once project completion has been reached. The completion report is to contain a description of actual performance in the period against the final milestone; and a report of actual expenditure against budgeted expenditure for the final milestone.

PART 5 – FINANCIAL ARRANGEMENTS

16. The Commonwealth will provide an estimated total financial contribution to the State of \$4,995,955 in respect of this Agreement. All payments are GST exclusive.
17. The Commonwealth's funding contribution will not be reduced where the State secures funding from other activity partners.
18. The Commonwealth's and the State's estimated financial contributions to the operation of this Agreement, including through National Partnership payments to the State paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions*

(\$ million)	2019-20	2020-21	2021-22	Total
Estimated total budget	0.500	TBC	TBC	4.996
Less estimated National Partnership Payments	0.500	TBC	TBC	4.996
Balance of non-Commonwealth contributions	0.000	0.000	0.000	0.000

* figures rounded up to nearest \$10,000

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

19. The Parties do not intend any of the provisions of this Agreement to be legally enforceable. However, that does not lessen the Parties' commitment to this Agreement.

Variation of the Agreement

20. The Agreement may be amended at any time by agreement in writing by both Parties.
21. Either Party may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

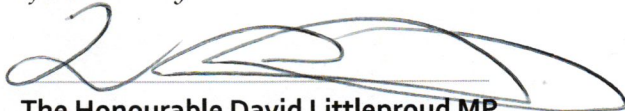
22. The Commonwealth Minister may delegate the assessment of performance against milestones and the authorisation of related project payments to senior Commonwealth officials, having regard to the financial and policy risks associated with those payments.

Dispute resolution

23. Either Party may give notice to other Party of a dispute under this Agreement.
24. Officials of both Parties will attempt to resolve any dispute in the first instance.
25. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

The Parties have confirmed their commitment to this agreement as follows:

Signed *for and on behalf of the Commonwealth of Australia by*



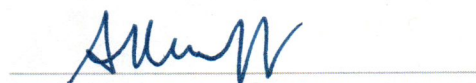
The Honourable David Littleproud MP

Minister for Water Resources, Drought, Rural Finance, Natural Disaster and Emergency Management

[Day] [Month] [Year]

13 11 2019

Signed *for and on behalf of the State of Queensland by*



The Honourable Stirling Hinchliffe MP

Minister for Local Government, Minister for Racing and Minister for Multicultural Affairs

[Day] [Month] [Year]

18 Feb 2020