

# Implementation Plan for Kalbarri Water Recycling Project

## NATIONAL PARTNERSHIP AGREEMENT ON WATER FOR THE FUTURE

### PRELIMINARIES

- 1 This Implementation Plan is created subject to the provisions of the *National Partnership Agreement on Water for the Future* and should be read in conjunction with that Agreement. The objective in that agreement is to secure water supplies and to assist with climate change adaptation.
- 2 The Commonwealth will provide a financial contribution of \$1.950 million to the State of Western Australia (the State), to increase the recycling capacity at the Kalbarri Wastewater Treatment Plant to deliver recycled water to the community.

### TERMS OF THIS IMPLEMENTATION PLAN

- 3 This Implementation Plan will commence as soon as it is agreed between the Commonwealth of Australia, represented by the Parliamentary Secretary for Sustainability and Urban Water and the State of Western Australia (the State), represented by the Minister responsible for Water (The Parties).
- 4 This Implementation Plan will cease on completion of the project (scheduled for completion by January 2013), including the acceptance by the Commonwealth of final performance reporting and processing of final payments against project milestones specified in this Implementation Plan.
- 5 This Implementation Plan may be varied by written agreement between the Ministers or their delegates.
- 6 Either Party may terminate this Implementation Plan by providing 30 days notice in writing. Where this Implementation Plan is terminated, the Commonwealth's liability to make payments to the State, is limited to payments associated with project milestones achieved by the State.
- 7 The Parties to this Implementation Plan do not intend any of the provisions to be legally enforceable. However, that does not lessen the Parties' commitment to this Implementation Plan.

### PROJECT OBJECTIVES

- 8 The primary objective of this Implementation Plan is to increase the capacity of non-potable wastewater recycling in Kalbarri. This will limit the demand on existing groundwater resources for non-potable uses. The key infrastructure required to achieve this increased capacity includes:
  - Upgrading inlet works of the plant;
  - Installing 2 additional aerators;
  - Improving performance and operability of existing aerators;
  - All related electrical and mechanical work; and
  - Installation of a chlorine dosing unit to facilitate irrigation of recycled water.

## **ROLES AND RESPONSIBILITIES**

### **Role of the Commonwealth**

- 9 The Commonwealth Department of Sustainability, Environment, Water, Population and Communities is responsible for reviewing State's performance against the project milestones specified in this Implementation Plan and providing any consequential financial contribution to the State for that performance.
- 10 The Commonwealth, at its option, may be an observer to a Project Management Committee the State establishes to monitor and oversee the implementation of the project.

### **Role of the State**

- 11 The State is responsible for:
  - a) fully funding the project after accounting for financial contributions from the Commonwealth and any third party;
  - b) completing the project in a timely and professional manner in accordance with this Implementation Plan; and
  - c) meeting all conditions including providing reports, in accordance with this Implementation Plan.
- 12 The State agrees to allow, at all reasonable times, appropriate Commonwealth representatives access to all sites where project works are being or have been undertaken.
- 13 The State agrees that the Commonwealth will be consulted on the nature and content of major events, announcements, promotional material or publicity relating to the activity under this Implementation Plan, the roles of both the Commonwealth and the State will be acknowledged and recognised appropriately.
- 14 The State agrees to have in place a detailed Project Management Plan for the overall project. Agreed project milestones will be attached to the Implementation Plan.

## **PROJECT, MILESTONES AND PAYMENTS**

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- 15 The maximum funding to be provided by the Commonwealth for the Project is \$1,950,000 (GST exclusive) payable in accordance with forecast reports and milestones as set out in Table 1 below.

**Table 1– Project Milestones**

Milestone No	Progress Report Date	For period	Milestone	Payment
1	30 May 2011	1 Dec 2010 to 20 May 2011	<ul style="list-style-type: none"> <li>• Complete preliminary design report for Kalbarri Water Recycling project</li> <li>• Complete engineering design report for Kalbarri Water Recycling project</li> <li>• Scope estimation completed</li> <li>• Demonstration of achievement against agreed milestones in the Project Management Plan, and against requirements outlined in Clause 24, to the satisfaction of the Commonwealth.</li> </ul>	\$100,000
2	15 Feb 2012	21 May to 31 Jan 2012	<ul style="list-style-type: none"> <li>• Delivery of detailed design</li> <li>• Contract to construct advertised and awarded</li> <li>• Demonstration of achievement against agreed milestones in the Project Management Plan, and against requirements outlined in Clause 24, to the satisfaction of the Commonwealth.</li> </ul>	\$260,000
3	15 Dec 2012	1 Feb 2012 to 30 Nov 2012	<ul style="list-style-type: none"> <li>• Construction completed for Kalbarri Water Recycling project</li> <li>• Demonstration of achievement against agreed milestones in the Project Management Plan, and against requirements outlined in Clause 24, to the satisfaction of the Commonwealth.</li> </ul>	\$1,390,000
4	30 Jan 2013		<ul style="list-style-type: none"> <li>• Submission of a progress report to the satisfaction of the Commonwealth.</li> </ul>	\$200,000

16. Instalments are paid subject to the Commonwealth acceptance of milestones having been achieved.
17. Any Commonwealth financial contribution payable will be processed by the Commonwealth Treasury and paid to the Western Australian Treasury in accordance with the payment arrangements set out in Schedule D of the Intergovernmental Agreement on Federal Financial Relations.

## BUDGET

18. The overall project Budget for each component of the project is set out in Table 2. GST is not payable on amounts paid by the Commonwealth under this Implementation Plan.

19. **Table 2 – Overall Project Budget**

Expenditure Item	Total Cost (excl. GST)
(i) General works (earthwork, pipework, M&E, instrumentation and alarms)	1,170,000
(ii) Inlet works	690,000
(iii) Treatment pond works (improving performance of current aerators and installing 2 new ones)	754,000
(iv) Install chlorine dosing unit	916,000
(v) Project Administration	370,000
Total estimated project budget	3,900,000
<i>less</i> estimated Commonwealth contribution	1,950,000
<i>equals</i> estimated contribution from non-Commonwealth sources	1,950,000

20. Having regard to the estimated costs of projects specified in the overall project budget, the State, will not be required to pay a refund to the Commonwealth if the actual cost of the project is less than the agreed estimated cost of the project. Similarly, the State bears all risk should the costs of a project exceed the estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the State to deliver projects cost-effectively and efficiently.

## REPORTING ARRANGEMENTS

21. The State will provide performance reports to demonstrate its achievement of the project milestones set out in Table 1. Each Progress Report is to contain the following information:
- a) a description of actual performance of the project to date against the project milestone/s, and budget listed in Tables 2 , including a statement as to whether the project is proceeding in accordance with the milestone activity schedule as set out in this Implementation Plan and if it is not, an explanation as to why and the action that the State proposes to take to address the matter/s;
  - b) promotional activities undertaken in relation to, and media coverage of, the project during the last reporting period; and
  - c) a description of the work that will be undertaken to complete the remaining project milestone(s) listed in Table 1, and any expected promotional opportunities, during the next reporting period for the project.

22. The final project report is due within 60 Business Days of the completion of the project (or termination of this Implementation Plan or the project) and will be a stand-alone document that can be used for public information dissemination purposes regarding the project. The final project report must:
- a) describe the conduct, benefits and outcomes of the project as a whole;
  - b) evaluate the project, including assessing the extent to which the objective has been achieved and explaining why any aspect were not achieved;
  - c) provide an ongoing monitoring, evaluation and reporting Plan for the ongoing operation of the infrastructure arising from this Implementation Plan; and.
  - d) include a discussion of any other matters, relating to the project, which the Department of Sustainability, Environment, Water, Population and Communities notifies the State should be included in this final project report at least 60 days before it is due.
23. The State will provide additional implementation information to the Commonwealth on request provided that the State agrees that the information request is reasonable.

#### **NOTICE OF DETAILS FOR THIS PROJECT**

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24. A notice relating to this Project, rather than the Agreement generally, is to be in writing and dealt with as follows:

- a) if given by the State to the Commonwealth:

Assistant Secretary  
Urban Water Security Branch  
Water Governance Division  
Department of Sustainability, Environment, Water, Population and Communities  
GPO Box 787  
Canberra ACT 2600  
  
Contact number 02 6274 1111

or

- b) if given by the Commonwealth to State:

Jean Dujmovic  
Program Manager  
Planning and Capability Group  
Capital Investment  
Water Corporation  
629 Newcastle Street  
Leederville, WA 6007

Contact number 08 9420 2641, fax number 08 9420 3522