

Implementation Plan for COAG Strategy on Water and Wastewater in Remote Communities – New South Wales

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. A strategy on water and wastewater services in remote (including Indigenous) communities has been developed by relevant jurisdictions under the 2008-2011 COAG Work Program on Water. The objectives of this Strategy are to provide sustainable, secure and safe water supplies and wastewater services; provide a level of service that meets regulatory standards that would apply to any other community of similar size and location; and encourage responsible water use and where appropriate, water conservation.
3. The Commonwealth will provide a financial contribution of \$6.4 million for two projects in the communities of Wilcannia and Walgett to assist New South Wales to implement the strategy.

TERMS OF THIS IMPLEMENTATION PLAN

4. 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 New South Wales (the State), represented by the Minister for Primary Industries ('the Parties').
5. This Implementation Plan will cease on completion of the project (scheduled for completion by December 2014), including the acceptance by the Commonwealth of final performance reporting and processing of final payments against project milestones specified in this Implementation Plan.
6. This Implementation Plan may be varied by written agreement between the Ministers or their delegates.
7. Either Party may terminate this agreement by providing 30 days notice in writing. Where this Implementation Plan is terminated by the Commonwealth, the Commonwealth's liability to make payments to the State is limited to payments associated with all progress achieved by the State up to the date termination takes effect. Such progress would need to be detailed in a report to the Commonwealth within 30 days of termination.
8. 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 OBJECTIVE

9. The objective of this Implementation Plan is to provide sustainable and safe water supplies and wastewater services to the communities of Walgett (including the Namoi Reserve and Gingie Reserve community) and Wilcannia (including the nearby Mallee and Warrali Mission Aboriginal communities).

10. This Project will provide water and wastewater infrastructure and build the capacity of the relevant water supply authorities to improve the management and overall security of water and wastewater services in the community.

ROLES AND RESPONSIBILITIES

Role of the Commonwealth

11. The Commonwealth Department of Sustainability, Environment, Water, Population and Communities (DSEWPaC) is responsible for reviewing the State's performance against the Project milestones specified in this Implementation Plan and providing any consequential financial contribution to the State for that performance.

Role of the State

12. The State will have responsibility 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;
 - c) implementing actions endorsed in the Strategy on Water and Wastewater Services in Remote (including Indigenous) Communities to support and complement the Project; and
 - d) meeting all conditions including providing reports, in accordance with this Implementation Plan.
13. 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.
14. The State agrees to establish a Project Management Committee (the Committee) to monitor and oversee the implementation of the Project. The Commonwealth, at its option, may be an observer.
15. The State agrees to ensure that prior agreement is reached with the Commonwealth on the nature and content of any events, announcements, promotional material or publicity relating to the activity under this Implementation Plan, and the roles of both the Commonwealth and the State will be acknowledged and recognised appropriately.
16. The State agrees to have in place a detailed project management plan, including but not limited to, a procurement strategy, communication, risk and stakeholder plans.
17. This Implementation Plan will be implemented consistent with Commonwealth arrangements that seek to improve occupational health and safety standards in the building industry, specifically: the *Building and Construction Industry Improvement Act 2005* and *Building and Construction Industry (Accreditation Scheme) Regulations 2005*; and the *National Code of Practice for the Construction Industry* and the *Australian Government Implementation Guidelines for the National code of Practice for the Construction Industry*.

FUNDING, MILESTONES AND PAYMENTS

18. The maximum funding to be provided by the Commonwealth for these projects is \$6,400,000 payable in accordance with milestones set out in Table 1 below.
19. Project milestones will be identified and agreed to by the parties in the project management plan required under Paragraph 16 of this Implementation Plan. Agreed project milestones will be attached to this Implementation Plan.

Table 1 – Project Milestones and Payment Schedule

Milestone No	For period	Milestone	Milestone Report due	Instalment

1	N/A	Acceptance of Project Management Plans for Walgett and Wilcannia to the satisfaction of the Commonwealth. Commencement of pre-construction project activities.	Within 4 weeks of signature	\$500,000
2	Project commencement – 31 December 2011	Commencement of Wilcannia Water Treatment plant and associated works. Acceptance of a Progress Report by the Committee and the Commonwealth.	January 2012	\$750,000
3	1 January 2012- 30 June 2012	Let tenders for Walgett sewerage works. Achievement of milestone in accordance with the detailed Project Management Plan for Wilcannia. Acceptance of a progress report by the Committee and the Commonwealth.	July 2012	\$2,150,000
4	1 July 2012 - 31 December 2012	Let tenders for Walgett Water Treatment Plant and achievement of construction milestones in accordance with the detailed Project Management Plan. Practical completion of the Water Treatment plant and sewerage works in accordance with the detailed Project Management Plan for Wilcannia. Acceptance of a Progress Report by the Committee and the Commonwealth.	January 2013	\$2,400,000
5	1 January 2013 - 31 December 2014	Practical completion of the Water Treatment Plant and sewerage system in accordance with the detailed Project Management Plan for Walgett. Acceptance of the Final Report by the Committee and the Commonwealth.	January 2014	\$600,000
				\$6,400,000

Payment Schedule

20. Instalments are paid subject to the acceptance of milestone reports for works performed during the previous reporting period and a forecast of intentions of works to be conducted in the next reporting period, as per Table 1.
21. Any Commonwealth financial contribution payable will be processed by the Commonwealth Treasury and paid to the State Treasury in accordance with the payment arrangements set out in Schedule D of the *Intergovernmental Agreement on Federal Financial Relations*.

BUDGET

22. The Overall Project Budget for each component of the project is set out in Tables 2 & 3. GST is not payable on amounts paid by the Commonwealth under this Implementation Plan.

Table 2: Overall project budget - Walgett

Walgett Water Supply	
New 2.0 ML/day Water Treatment Plant (WTP) at Walgett	3,300,000
New filtered and raw water mains to Namoi village and duplication of outlet main	1,349,000
Construct dedicated rising main from WTP to reservoir	299,000
Walgett Sewerage	
Upgrade of Walgett Sewage Treatment Plant	763,000
Namoi Village Sewerage	
Replacement of existing enviro cycle systems	1,093,000
Gingie Reserve Minor upgrade works	70,000
Total estimated project budget	6,874,000
<i>less</i> estimated Commonwealth contribution	4,200,000
<i>equals</i> estimated contribution from non-Commonwealth sources	2,674,000

Table 3: Overall project budget - Wilcannia

Wilcannia Water Supply	
Repair pumping station at weir and refurbish Wilcannia Water Treatment Plant	585,000
Repaint treated water reservoir, repair ladders etc	412,000
Replace rising main	300,000
Wilcannia (town) Sewerage	
Refurbish Sewage Treatment Plant and existing STEP system	552,000
Mallee Sewerage	
Convert STEP system to CED and provide new pumping station	851,000
Warrali Mission Sewerage	
Refurbish/replace existing sewage pumping stations	330,000
Total estimated project budget	3,030,000
<i>less</i> estimated Commonwealth contribution	2,200,000
<i>equals</i> estimated contribution from non-Commonwealth sources	830,000

23. 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.
24. The works proposed in this Implementation Plan will provide sustainable and safe water supplies and wastewater services to the community of Walgett (including the Namoi Reserve Aboriginal community). However, following further consultations with Walgett Shire Council and additional technical investigations it has been found that the water supply will be still at risk during periods of sustained drought. To provide additional security to the water supply a new water intake and rising main are required to provide long term security to the water supply for Walgett. The estimated cost of this work is \$1,950,000. At this time there are no State funds available for this additional work. The works proposed in the Implementation Plan are required to provide adequate water supply and sewerage services, even if the additional unfunded works cannot proceed.

REPORTS

25. The State will provide progress 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 listed in Schedule A, 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 the State proposes to take to address the matter/s;
 - b) promotional activities undertaken in relation to, and media coverage of, the sub-projects listed in Schedule A during the last reporting period; and
 - c) a description of the work that will be undertaken to complete the remaining project milestone(s) and any expected promotional opportunities, during the next reporting period for the Project; and
26. A report on the implementation by the State of the actions endorsed in the Strategy for Water and Wastewater Services for Remote (including Indigenous) Communities, to be submitted in conjunction with the Progress Report.
27. 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 aspects were not achieved;
 - c) provide a 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 DSEWPaC notifies the State should be included in this final Project Report at least 60 days before it is due.
28. The State agrees to meet any reasonable request by the Commonwealth to provide other information regarding the Project implementation or funding conditions.

NOTICE OF DETAILS FOR THIS PROJECT

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 the State:

Colin McLean
Executive Director
NSW Office of Water
GPO Box 3889
Sydney NSW 2001

Contact number 02 8281 7342

COAG Strategy on Water and
Wastewater Services in Remote
(including Indigenous) Communities
- New South Wales

Schedule A

BACKGROUND

This Schedule A provides additional information on the deliverables for the New South Wales projects under the COAG Strategy for Water and Wastewater Services in Remote (including Indigenous) Communities and should be read in conjunction with the Implementation Plan and management plans.

This Schedule outlines activity details and budgets at a sub-project level.

INFRASTRUCTURE PROJECTS

Remote Communities Implementation Plan Water Supply and Sewerage - Walgett

Project Description

This project aims to increase the capacity of both the water filtration plant and the raw non-drinking water supply and will provide an adequate water supply to the residents of Walgett and the Namoi Reserve community.

Replacement of the water filtration plant will improve the quality of the treated water, ensuring the water supply continues to meet the Australian Drinking Water Guidelines. This will benefit both the residents of Walgett (town) and Namoi Reserve. The project will also upgrade the Walgett Wastewater Treatment Plant and allow the replacement of the onsite wastewater treatment systems at Namoi Reserve community and minor upgrade works at the Gingie Reserve community. This will improve the reliability of the system and protect public health.

The water supply portion of this project includes replacing the rising main between the water treatment plant and reservoir. In addition, the upgrade of the drinking and raw water mains from Walgett to Namoi Reserve community will significantly improve the water pressure of both drinking and raw (non-drinking) water supplies to the Village.

The sewerage portion of the project will upgrade the Walgett Sewage Treatment Plant, allow the replacement of the onsite wastewater treatment systems at Namoi Reserve community. This will improve the reliability of the system and protect public health.

Table 1 Walgett project activities

Activity number	For period	Project activities	Progress Report due	Activity budget for reporting period (Cwth Contribution)
1	N/A	Acceptance of a Project Management Plan for Walgett by the Commonwealth. Commence preconstruction activities.	Within 4 weeks of signing	\$250,000
2	Project commencement - 30 June 2012	Let tenders for Walgett sewage treatment plant upgrade. Commence replacement of enviro cycle sewerage system and water mains to Namoi village. Acceptance of a progress report by the Committee and the Commonwealth.	July 2012	\$1,250,000
3	1 July 2012 - 31 December 2012	Let tenders for Walgett Water Treatment plant Achievement of construction milestones for the replacement of enviro cycle sewerage system in accordance with the detailed Project Management Plan. Acceptance of a Progress Report by the Committee and the Commonwealth.	January 2013	\$2,100,000
4	1 January 2013 - 31 December 2014	Practical completion of Water Treatment Plant Practical completion of sewage treatment plant upgrade Acceptance of the Final Report by the Committee and the Commonwealth.	January 2015	\$600,000
				\$4,200,000

Table 2 Walgett Milestone payments

	2010-2011	2011-2012	2012-2013	2013-2014
Commonwealth milestone payments per financial year	NIL	\$1,500,000	\$2,100,000	\$600,000

Remote Communities Implementation Plan Water Supply and Sewerage - Wilcannia

Project Description

This project aims to improve the reliability and safety of Wilcannia's water supply by the refurbishment of the water treatment plant (WTP) and carrying out repairs to the intake structure on the river and replacement of the raw water rising main to the WTP . The relining of the local reservoir will also ensure water quality is maintained to meet Australian Drinking Water Guidelines and all works will extend the life of the existing infrastructure.

The sewerage portion of the project will include refurbishment of the Wilcannia Sewage Treatment Plant, replacement of the wastewater treatment plant headworks and other infrastructure within the communities.

In the Mallee Aboriginal Community, works will be undertaken to improve the sewage collection system by converting the existing septic tank effluent pump (STEP) system to a common effluent drainage (CED) system and associated work. New sewage pumping stations will also be provided for the Mallee community and Warrali Mission. All works will increase the reliability of the systems and protect public health.

Table 3 Wilcannia project activities

Activity number	For period	Project activities	Progress Report due	Activity budget for reporting period (Cwth Contribution)
1	N/A	Acceptance of a detailed Project Management Plan for Wilcannia by the Commonwealth. Commence preconstruction activities.	Within 4 weeks of signature	\$250,000
2	Project commencement – 31 December 2011	Commence refurbishment of Wilcannia Water Treatment plant and associated refurbishment works, (including repairs to the river intake structure and reservoir painting) . Acceptance of a Progress Report by the Committee and the Commonwealth.	January 2012	\$750,000

3	1 January 2012 – 30 June 2012	<p>Achievement of construction milestones for the Wilcannia Water Treatment plant and associated works in accordance with the detailed Project Management Plan.</p> <p>Commence Wilcannia, Mallee and Warrali Mission sewerage works in accordance with the detailed Project Management Plan.</p> <p>Acceptance of a Progress Report by the Committee and the Commonwealth.</p>	July 2012	\$900,000
4	1 July 2012 – 31 December 2012	<p>Practical completion of the Wilcannia Water Treatment plant and associated works in accordance with the detailed Project Management Plan.</p> <p>Practical completion of the Wilcannia, Mallee and Warrali Mission sewerage works in accordance with the detailed Project Management Plan.</p> <p>Acceptance of the Final Report by the Committee and the Commonwealth.</p>	January 2013	\$300,000
				\$2,200,000

Table 4 Wilcannia Milestone payments

	2010-2011	2011-2012	2012-2013	2013-2014
Commonwealth milestone payments per financial year	NIL	\$1,900,000	\$300,000	NIL