

Regional Recovery Partnership – New South Wales

FEDERATION FUNDING AGREEMENT – INFRASTRUCTURE

AMENDMENT 1

Table 1: Formalities and operation of schedule	
Parties	Commonwealth New South Wales
Duration	This amended Schedule will commence as soon as the Commonwealth and New South Wales Government sign it and will expire on 31 December 2023 or on completion of the projects, including final performance reports, unless terminated earlier or extended as agreed in writing by the Parties.
Purpose	This Schedule will support the delivery of the Regional Recovery Partnerships in three identified regions (Parkes, Snowy Mountains and Hunter/Newcastle). These Partnerships support existing state and regional recovery plans with a package of targeted initiatives to deliver jobs, economic recovery and economic diversification.
Partnership project purposes	<p>The projects under the Partnerships are:</p> <p>Parkes:</p> <p><u>Parkes Water Security Project (Stage 2)</u></p> <p>This project will deliver Stage 2 of the Parkes Water Security project, a key initiative installing 35km of duplication pipeline from Forbes borefield to the Parkes water treatment plant, to secure water supply for the township of Parkes and support the implementation of the Parkes Special Activation Precinct (SAP) to encourage a wider variety of businesses to the area.</p> <p>This project will deliver two new pump stations with associated infrastructure and a solar supporting system that are critical components of the Parkes Water Security project.</p> <p><u>Central West Industrial Park – Part 1 of Stage 2</u></p> <p>This project will see the delivery of Part 1 of Stage 2 of the development of the Central West Industrial Park in Forbes and rapidly bring bespoke, industrial lots with affordable, secure water supply on the market to attract water intensive manufacturing and agricultural industries. This project will include construction of a significant portion of the drainage works for the project, as well as part of the associated road works in order to have 11 lots</p>

of land developed with basic infrastructure and ready for use by interested businesses.

Lake Cargelligo Tourism Activation

The project will improve the visual appearance of the main street of Lake Cargelligo and make it a more inviting place to visit and for new businesses to establish to service tourists and residents alike. Infrastructure supporting the development of retail, food, arts and recreation industries and the local educational institutions will help to improve living standards and the attractiveness of the region as a place to live, work and reside.

Snowy Mountains:

Snowies Iconic Walk – Stage 4

The Kosciuszko Snowies Iconic Great Walk is a proposed four-day walk through the NSW Snowy Mountains in Kosciuszko National Park. It will connect the existing resort towns of Thredbo, Charlotte Pass, Guthega, Perisher and Lake Crackenback via Mount Kosciuszko summit, Main Range and the Snowy River, making effective use of the existing investment in accommodation, services and infrastructure in the summer season. This project will deliver Stage 4 of the walk through the construction of 11km of walking track from Perisher Valley to Bullocks Flat. This will complete the project to an iconic walk standard which can then be promoted to tourism markets in Australia and internationally.

Hunter / Newcastle:

Newcastle Art Gallery Expansion

The expansion project will double the floor space of the current Newcastle Art Gallery and include the construction of:

- multiple exhibition spaces including one dedicated to permanent display;
- a new entrance and reception area;
- a café and retail shop;
- multi-purpose educational program spaces; and
- a secure international standard loading dock.

The expanded and upgraded Gallery will enable increased exhibition and community engagement for the people of the Hunter and Newcastle and offer increased cultural tourism opportunities for NSW.

Maitland Gaol Development Plan

The proposed works and capital investment aims to increase visitation and revenue of the site by enhancing the Gaol's core heritage tourism offer while providing complementary visitor and community infrastructure to maximise the capabilities of the site. Investment in the Maitland Gaol will create an iconic and unique attraction for the City and Hunter Region,

	<p>supporting and diversifying its product offering to strengthen the region's reputation as an attractive destination for families and couples. This enhanced product will assist to drive visitation and repeat visitation in a post COVID-19 environment.</p>																				
<p>Estimated financial contributions</p>	<p>The Commonwealth will provide a total financial contribution to New South Wales of \$30.0 million in respect of this Schedule.</p> <p>The New South Wales Government has contributed \$17 million to the previous stages of the Snowies Iconic Walk.</p> <p>In addition, the New South Wales Government is contributing \$16.8 million across Hunter/Newcastle and Parkes regions; the City of Newcastle is contributing \$16.2 million; and the Parkes and Forbes Shire Councils are contributing \$2 million and \$0.5 million respectively. Further, the Art Gallery Expansion will receive \$13 million from public fundraising and \$2 million will be contributed by the private sector for the Parkes project. These contributions are reflected in Table 1.</p> <p>On commencement of the Schedule \$20.0 million will be paid, and upon commencement of the amended Schedule, \$10.0 million will be paid.</p> <p>Table 1</p> <table border="1" data-bbox="453 958 1198 1285"> <thead> <tr> <th>(\$ million)</th> <th>2020-21</th> <th>2021-22</th> <th>2022-23</th> <th>Total</th> </tr> </thead> <tbody> <tr> <td>Estimated total budget</td> <td>20.0</td> <td>18.0</td> <td>42.5</td> <td>80.5</td> </tr> <tr> <td>Less estimated National Partnership Payments</td> <td>20.0</td> <td>10.0</td> <td>0.0</td> <td>30.0</td> </tr> <tr> <td>Balance of non-Commonwealth contributions</td> <td>0.0</td> <td>8.0</td> <td>42.5</td> <td>50.5</td> </tr> </tbody> </table> <p>* New South Wales is not required to provide financial and/or in-kind contributions under the terms of this Agreement, however it allocates its own source funding and provides in-kind contributions to support achievement of the outputs of this Agreement.</p>	(\$ million)	2020-21	2021-22	2022-23	Total	Estimated total budget	20.0	18.0	42.5	80.5	Less estimated National Partnership Payments	20.0	10.0	0.0	30.0	Balance of non-Commonwealth contributions	0.0	8.0	42.5	50.5
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<p>Reporting arrangements</p>	<p>Tables 2 (a)-(f) summarise the milestones for the projects, their relationships to the outputs, expected completion dates relevant reporting dates and expected payments to be made.</p> <p>The New South Wales Government will provide performance reporting in accordance with Tables 2 (a)-(f) during the operation of the Schedule. Each performance report is to contain tracking of actual performance in the period to date against project milestones across all regions and advice on any broader policy issues impacting on Partnership delivery. The reports, as appropriate, should also explain how projects have contributed to Partnership objectives in particular strengthening the broader visitor economy in each location, and how its impact has been amplified by other efforts.</p>																				

Evaluation	<p>The Commonwealth will be responsible for conducting an evaluation of the Partnerships and initiatives delivered under this Agreement in 2022-23. New South Wales will be responsible for participating in the evaluation.</p> <p>New South Wales is to provide information to contribute to the evaluation, including a summary of initiatives implemented under each Partnership, and outcomes they have and are expected to achieve, and a statement on the completion of all capital works for these projects.</p>
Shared roles	<p>All Parties will continue to broker solutions between their different governments to help align efforts to assist economic recovery in the different regions.</p> <p>All parties will commit to best practice governance arrangements in order to deliver the reports and Partnerships in a timely manner.</p> <p>In addition, Schedule E, Clause 26 of the IGA FFR outcomes will be applicable to projects funded under the Partnership.</p>

Table 2 A: Performance requirements, reporting and payment summary – Parkes Water Security (Stage 2) – Parkes

Performance milestones	Progress Report due	Payment
Commencement of Schedule	n/a	\$5 million
Completion of tender documentation for the construction of two pump stations and associated solar system	1/08/2021	n/a
Commencement of construction of new pump station with associated infrastructure at Eugowra Road site	1/10/2021	n/a
Commencement of construction of the new pump station with associated infrastructure at Akuna Road site	2/05/2022	n/a
Completion of solar supporting system at Akuna Road site to offset electricity costs of the new pump station and treatment	3/10/2022	n/a
Completion report for works funded under the Regional Recovery Partnerships	1/05/2023	n/a

Table 2 B: Performance requirements, reporting and payment summary – Central West Industrial Park - Part 1 of Stage 2 – Parkes

Performance milestones	Progress Report due	Payment
Commencement of Schedule	n/a	\$4 million
Completion of tender documentation for construction of the drainage works, roads, and detention basin	1/08/2021	n/a
Commencement of construction of the drainage works	1/10/2021	n/a
Completion of associated road works at Doyle St, detention dam and drainage channels in order to have at least 11 lots developed with basic infrastructure and ready for use by interested businesses	2/05/2022	n/a
Completion report for works funded under the Regional Recovery Partnerships	3/10/2022	n/a

Table 2 C: Performance requirements, reporting and payment summary – Lake Cargelligo Tourism Activation - Parkes

Performance milestones	Progress Report due	Payment
Commencement of the Schedule	n/a	\$1 million
Evidence of commencement of water main replacement, stormwater inlet/pit/pipes, kerb replacements and footpath replacements	1/08/2021	n/a
Commencement of earthworks, drainage, kerb, roundabout and island construction, kerb, water main and footpath replacements	1/10/2021	n/a
Increased outdoor dining opportunities and pedestrian movement areas implemented	2/05/2022	n/a
Pavement reconstruction, line marking and signage upgraded	3/10/2022	n/a
Completion report for works funded under the Regional Recovery Partnerships	1/05/2023	n/a

Table 2 D: Performance requirements, reporting and payment summary – Snowies Iconic Walk - Stage 4 – Snowy Mountains

Performance milestones	Progress Report due	Payment
Commencement of the Schedule	n/a	\$10 million
Completion of tender documentation for construction of Stage 4 of the Snowies Iconic Walk	1/08/2021	n/a
Commencement of track construction by lead contractor	1/10/2021	n/a
Completion of 50% of track construction as certified by a quantity surveyor, project manager or appropriately qualified personnel	2/05/2022	n/a
Track opening	3/10/2022	n/a
Completion report for works funded under the Regional Recovery Partnerships	1/05/2023	n/a

Table 2 E: Performance requirements, reporting and payment summary – Newcastle Art Gallery Expansion – Hunter / Newcastle region

Performance milestones	Progress Report due	Payment
Commencement of amended Schedule	n/a	\$5 million
Planning workshop held with all relevant stakeholders	15/03/2022	n/a
Completion of detailed design documentation for the Gallery expansion	02/05/2022	n/a
Commencement of works	02/10/2022	n/a
Official opening	1/10/2023	n/a
Completion report for works funded under the Regional Recovery Partnership	15/12/2023	n/a

Table 2 F: Performance requirements, reporting and payment summary – Maitland Gaol Development Plan – Hunter / Newcastle

Performance milestones	Progress Report due	Payment
Commencement of amended Schedule	n/a	\$5 million
Planning workshop held with all relevant stakeholders	15/03/2022	n/a
Completion of detailed design documentation	02/09/2022	n/a
Commencement of works	02/12/2022	n/a
Construction completed for first stage components	02/05/2023	n/a
Completion report for works funded under the Regional Recovery Partnership	15/12/2023	n/a

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

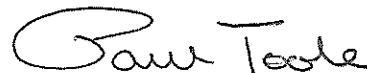
*Signed for and on behalf of the Commonwealth
of Australia by*

A handwritten signature in black ink, appearing to read 'Barnaby Joyce', written over a horizontal line.

The Honourable Barnaby Joyce MP
Deputy Prime Minister of the Commonwealth of
Australia

October 2021

*Signed for and on behalf of the
State of New South Wales by*

A handwritten signature in black ink, appearing to read 'Paul Toole', written over a horizontal line.

The Honourable Paul Toole MP

Deputy Premier and Minister for Regional New South
Wales

October 2021