



The Hon Kristy McBain MP

Minister for Regional Development, Local Government and Territories
Member for Eden-Monaro

Ref: MS24-002165

The Hon Kerry Vincent MLC
Minister for Infrastructure
Minister for Local Government
Parliament of Tasmania
Level 1 7-9 Franklin Wharf
HOBART TAS 7000

Dear Minister

Kerry,

I am responding to correspondence received on 28 August 2024 from the Hon Michael Ferguson MP, the former Deputy Premier and Minister for Infrastructure, to the Hon Catherine King MP, Minister for Infrastructure, Transport, Regional Development and Local Government, seeking approval to vary the financial tables of a Project Agreement under the Launceston City Deal for the commitment to reduce pollution in the kanamaluka/Tamar Estuary. I am responding on behalf of the Minister and I apologise for the delay in doing so.

I appreciate the Tasmanian Government's confirmation of the revised milestones timing and note the Department of Infrastructure, Transport, Regional Development, Communications and the Arts has worked with the Tasmanian Department of State Growth to facilitate these changes. I agree to vary the financial tables in the Project Agreement for the Launceston City Deal: Tamar Estuary – Urban Water Infrastructure upgrades as per Attachment A and confirm the Project Agreement remains otherwise unchanged.

The Australian Government looks forward to continuing to working with the Tasmanian Government to deliver this important project.

Yours sincerely

Kristy McBain MP

18 / 12 / 2024

Enc

Variations to Project Agreement for the Launceston City Deal: Tamar Estuary – Urban water Infrastructure upgrades

Table 1: Performance requirements, reporting and payment summary

Replace the existing Table 1 in the Project Agreement with the following:

| Outputs | Milestone | Performance milestones or benchmarks | Report due | Payment |
|--|-----------|---|-----------------------|---------|
| Water infrastructure upgrades to reduce untreated overflows from City of Launceston's combined sewerage and stormwater system into the Tamar Estuary | 1 | Development of a Project Management Plan, outlining all milestones to be completed to deliver the outputs of this agreement, including their timing and cost. Commonwealth agreement to the Project Management Plan. | May 2020 | \$1.5m |
| | 2 | Commencement of construction | Feb 2021 | \$3.9m |
| | 3 | Completion of milestone set out in the agreed Project Management Plan Progress Report to be provided | Jan 2023 | \$2.0m |
| | 4 | Completion of milestone set out in the agreed Project Management Plan Progress Report to be provided | Jan 2023 | \$5.0m |
| | 5 | Completion of milestone set out in the agreed Project Management Plan Progress Report to be provided | June 2023 | \$6.0m |
| | 6 | Completion of milestone set out in the agreed Project Management Plan Progress Report to be provided | Apr 2024 | \$13.0m |
| | 7 | Completion of milestone set out in the agreed Project Management Plan Progress Report to be provided | May 2025 | \$7.0m |
| | 8 | Completion of milestone set out in the agreed Project Management Plan Progress Report to be provided | May 2026 | \$2.0m |
| | 9 | Completion of all projects under the agreed Project Management Plan | March 2027 | \$2.1m |
| Total Funding: | | | \$42.5 million | |

Table 2: Estimated financial contributions

Replace the existing Table 2 in the Project Agreement with the following:

| (\$ million) | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2025/26 | 2026/27 | Total |
|--|------------|------------|----------|---------------|-------------|-------------|-------------|--------------|-------------|
| Estimated total budget | 1.5 | 4.5 | - | 18.895 | 24.0 | 17.0 | 15.0 | 4.105 | 85.0 |
| Less estimated National Partnership Payments | 1.5 | 3.9 | - | 13.0 | 13.0 | 7.0 | 2.0 | 2.1 | 42.5 |
| Balance of non-Commonwealth contributions | 0 | 0.6 | - | 5.895 | 11.0 | 10.0 | 13.0 | 2.005 | 42.5 |