

PROJECT AGREEMENT FOR CENTENARY OF CANBERRA – A GIFT TO THE NATIONAL CAPITAL

Council of
Australian
Governments

An agreement between

- the Commonwealth of Australia and
- the Australian Capital Territory

The output of this project will be an upgrade of the existing road corridor and public realm space along Constitution Avenue in Canberra City for completion in 2015 and the development of the National Arboretum Canberra to celebrate the Centenary of Canberra in 2013.

Project Agreement for Centenary of Canberra – A Gift to the National Capital

INTERGOVERNMENTAL AGREEMENT ON FEDERAL FINANCIAL RELATIONS

PRELIMINARIES

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations 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 Intergovernmental Agreement on Federal Financial Relations.
2. This Agreement will support the delivery of infrastructure upgrades to Constitution Avenue in Canberra City for completion in 2015 and the development of the National Arboretum Canberra (the Arboretum) to mark the Centenary of Canberra in 2013.
3. This Agreement constitutes the entire agreement for these projects.

PART 1 – FORMALITIES

Parties to this Agreement

4. This Agreement is between the Commonwealth of Australia (the Commonwealth) and the Australian Capital Territory.

Term of the Agreement

5. This Agreement will commence as soon as the Commonwealth and the Australian Capital Territory sign the Agreement and will expire on 30 June 2015 or on completion of all the projects, including acceptance of 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

6. The first output of this Agreement will be the delivery of an upgrade to the existing road corridor and public realm space along Constitution Avenue, between Vernon Circle in Canberra City and Blamey Crescent in Campbell. The upgrades will be conducted in two stages:
 - (a) Stage 1: between Anzac Parade and Coranderrk Street in Campbell; and
 - (b) Stage 2: between Coranderrk Street and Vernon Circle in Canberra City.

7. The second output of this Agreement will be the development of the Arboretum. Commonwealth funding for the Arboretum will be used for the following:
- (a) a Pavilion;
 - (b) a Visitors' Centre, Events Terrace and surrounding landscaping;
 - (c) a Visitors' Centre interactive display space;
 - (d) the Central Valley Ceremonial Gardens; and
 - (e) a Children's Play Space.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

8. The Commonwealth will be responsible for:
- (a) monitoring and assessing achievement against milestones in the delivery of the Constitution Avenue upgrade and the Arboretum projects under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to the Australian Capital Territory to support the implementation of this Agreement;
 - (c) in accordance with the *Building and Construction Industry Improvement Act 2005*, ensuring that financial contributions to a building project or projects as defined under the *Building and Construction Industry (Accreditation Scheme) Regulations 2005*, are only made where a builder (or builders) accredited under the Australian Government Building and Construction Health and Safety Accreditation Scheme is contracted; and
 - (d) ensuring that compliance with 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 is a condition of Australian Government funding.

Role of the Australian Capital Territory

9. The Australian Capital Territory 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) ensuring that only a builder (or builders) accredited under the Australian Government Building and Construction Occupational Health and Safety Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth; and
 - (d) ensuring that compliance with 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, is made a condition of tender for all contractors and subcontractors who tender for the work, and providing the necessary assurances to the Commonwealth.

Shared roles

10. The Parties will meet the requirements of Schedule E, Clause 26 of the Intergovernmental Agreement on Federal Financial Relations, 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

11. The following table summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made, once a report certifying that milestones have been met is received and accepted by the Commonwealth.

Table 1: Milestones, reporting and payment summary – Constitution Avenue

| Output | Milestones | Date due | Relevant Report due | Payment |
|---|---|------------|---|---------|
| Upgrade to the existing road corridor and public realm space along Constitution Avenue in Canberra City | Preliminary Design Report for Constitution Avenue upgrade, identifying the scope of work and significant construction milestones | 31/03/2012 | 18/05/2012 | \$16.0m |
| | Consultation report by the ACT Government, including strategies for addressing issues arising from the public information sessions | 11/05/2012 | 31/05/2012 | \$16.0m |
| | National Capital Authority Works Approval obtained | 31/10/2012 | 31/10/2012 | \$0.0m |
| | Waterway Work and Environmental Authorisation Licences obtained, and Audit report of hazardous materials signed off by the EPA | 31/01/2013 | 28/02/2013 | \$0.0m |
| | Service relocation completed | 31/04/2013 | 14/05/2013 | \$0.0m |
| | Progress report by the ACT Government on progress of activities in the project plan plus any additional activities being undertaken, if applicable, endorsed by the Constitution Avenue Steering Committee and accepted by the Commonwealth | 30/09/2013 | 31/10/2013 | \$0.0m |
| | Stage 1 construction works completed | 14/02/2014 | 28/02/2014 | \$0.0m |
| | Progress report by the ACT Government on progress of activities in the project plan plus any additional activities being undertaken, if applicable, endorsed by the Constitution Avenue Steering Committee and accepted by the Commonwealth | 30/09/2014 | 31/10/2014 | \$2.0m |
| | Stage 2 construction works completed and road reopened to the public | 14/04/2015 | 30/04/2015 | \$5.0m |
| | Acceptance by the Commonwealth of the final Project Report in accordance with Clause 13 | N/A | Within 90 days of the completion of the project and before 30 June 2012 | \$3.0m |

Table 2: Milestones, reporting and payment summary – National Arboretum Canberra

| Output | Milestones | Date due | Relevant Report due | Payment |
|--|---|------------|--|---------|
| Development of the National Arboretum Canberra | Finalisation of design details for all projects | 01/04/2012 | 31/05/2012 | \$10.0m |
| | Provision of a Project Plan identifying the construction timeframes, significant construction milestones and estimated project completion dates | 30/04/2012 | 31/05/2012 | \$10.0m |
| | Completion of earthworks and landscaping for the Visitors' Centre and Events Terrace and completion of the Children's Play Space to be documented in a Progress Report | 15/11/2012 | 30/11/2012 | \$0.0m |
| | Completion of the Pavilion, Visitors' Centre interactive display space, Visitors' Centre and Events Terrace and Central Valley Ceremonial Gardens to be documented in a Progress Report | 15/03/2013 | 31/03/2013 | \$0.0m |
| | Acceptance of the Final Report in accordance with Clause 13 | N/A | Within 90 days of the completion of the project and before 1 June 2013 | \$0.0m |

Reporting arrangements

12. The Australian Capital Territory will provide performance reports in accordance with the above table during the operation of the Agreement. Each performance report is to contain the following information for the Constitution Avenue and National Arboretum projects:
- a description of actual performance of the Australian Capital Territory in the period to date against the project milestones;
 - details of any matter(s) that have arisen which could adversely impact on the delivery of the outputs, and how the Australian Capital Territory proposes to resolve this/these matter(s); and
 - promotional activities undertaken in relation to, and media coverage of, the projects during the reporting period and any promotional opportunities expected to arise during the next reporting period.
13. The Australian Capital Territory will also prepare a final Project Report within 90 days of completion of the project agreed under the Project Agreement. The Project Report will be a

stand-alone document that can be used for public information dissemination purposes. The final Project Report will:

- (a) describe the conduct, benefits and outcomes of the Project;
- (b) evaluate the Project from the responsible Party's perspective, including assessing the extent to which the project milestones have been achieved and why any aspect was not achieved; and
- (c) include a discussion of any other matters relating to the project, limited to the minimum necessary for the effective assessment of performance, which the Commonwealth notifies the Australian Capital Territory should be included in the final project report at least 60 days before it is due.

PART 5 – FINANCIAL ARRANGEMENTS

14. The Commonwealth will provide a total financial contribution to the Australian Capital Territory of \$62.0 million in respect of this Agreement. All payments are GST exclusive.
15. The Commonwealth's funding contribution will not be reduced where the Australian Capital Territory secures funding from other activity partners through innovative and collaborative partnerships.
16. The Commonwealth's and the Australian Capital Territory's estimated financial contribution to the operation of this Agreement, including through National Partnership payments to the Australian Capital Territory paid in accordance with *Schedule D – Payment Arrangements* of the [Intergovernmental Agreement on Federal Financial Relations](#), are shown in Table 3.

Table 3: Estimated financial contributions - Constitution Avenue and National Arboretum

| (\$ million) | 2011-12 | 2012-13 | 2013-14 | 2014-15 | Total |
|--|---------|---------|---------|---------|-------|
| Estimated National Partnership Payment - Constitution Avenue | 32.0 | 0.0 | 0.0 | 10.0 | 42.0 |
| Estimated National Partnership Payment - National Arboretum | 20.0 | 0.0 | 0.0 | 0.0 | 20.0 |

17. Having regard to the agreed estimated costs of projects specified in the Project Agreement, the Australian Capital Territory 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 Australian Capital Territory bears all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for the Australian Capital Territory to deliver projects cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

18. 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

19. The Agreement may be amended at any time by agreement in writing by both Parties.

20. A Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

21. 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

22. A Party may give notice to the other Party of a dispute under this Agreement.
23. Officials of relevant Parties will attempt to resolve any dispute in the first instance.
24. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers and if necessary, the relevant Standing Council.
25. If a dispute cannot be resolved by the relevant Ministers, it may be referred by a Party to COAG for consideration.

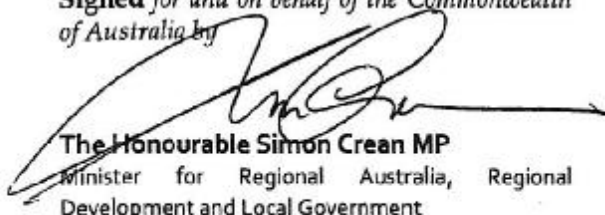
PART 7 – ACKNOWLEDGEMENTS AND PUBLICITY

Acknowledgement of Support – National Arboretum Canberra

26. The Commonwealth has the naming rights, in perpetuity, to the Pavilion.
27. The Australian Capital Territory:
 - (a) agrees to include the words 'Supported by the Australian Government' on the Arboretum website, and in all publications and promotional material for the first five years;
 - (b) is required to erect and maintain a sign at the Arboretum entry and a sponsors' board inside the Visitors' Centre to acknowledge the Commonwealth contribution. Signage must include the Commonwealth logo and the words 'An Australian Government Centenary Gift';
 - (c) agrees to acknowledge the Commonwealth by including branding on signage that is displayed to mark an official opening or other official public functions for activities relating to the Arboretum;
 - (d) must only use the Commonwealth logo with approval and in accordance with Commonwealth branding guidelines;
 - (e) agrees to invite the Minister for Regional Australia, Regional Development and Local Government to speak at the opening of the Arboretum in early 2013; and
 - (f) must invite a Commonwealth representative to official openings or other official public functions for activities relating to the Arboretum.

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

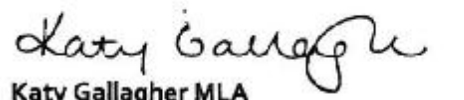
*Signed for and on behalf of the Commonwealth
of Australia by*



The Honourable Simon Crean MP
Minister for Regional Australia, Regional
Development and Local Government

24 May 2012

*Signed for and on behalf of the Australian
Capital Territory by*



Katy Gallagher MLA
Chief Minister
Minister for Health
Minister for Territories and Municipal Services

24 May 2012