

Your Ref:  
Our Ref: 9990678  
Enquiries: Mr D. Juers  
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14 February 2014

Mr Chris Adams  
Chief Executive Officer  
Shire of Roebourne  
PO Box 219  
KARRATHA WA 6714

Dear Chris

### **Karratha Recycled Water Scheme**

On 14 August 2013 the then Minister for Regional Development, Hon Brendon Grylls MLA, approved the re-allocation of the balance of funding from another Pilbara project – the WWTP 2 Temporary Package Treatment Unit – to the Karratha Water Recycling Scheme (KWRS).

The former project has been acquitted with a remaining balance of \$7.56 million available to be applied to the KWRS. Water Corporation needs to enter into a Financial Assistance Agreement (FAA) with the Department of Regional Development (DoRD) to secure these funds and commence work.

Water Corporation acknowledges the support of the Shire of Roebourne (Shire) in securing these funds. We wish to build on this work to deliver a recycling scheme with the Shire that delivers value to the community of Karratha, the Shire, Water Corporation and the State.

This letter seeks to ensure a shared understanding between all parties as to the overall scheme and respective commitments to ensure its successful delivery and operation. It will inform the FAA, including the need for contractual commitments with the Shire to be secured prior to the letting of any works.

### **Existing scheme overview**

The existing Karratha recycled water scheme (existing scheme) is a network of pumps, pipes and tanks that supplies recycled water for public open space in the town of Karratha. It is owned and operated by the Shire of Roebourne.

Much of the existing scheme needs to be replaced to improve its operability and extend recycled water supply to new areas of public open space in Karratha.

The existing scheme sources the recycled water from Water Corporation's Karratha 1 (K1) and Karratha 2 (K2) Wastewater Treatment Plants (WWTPs) to service a number of areas of public open space owned by the Shire.

### **Proposed KWRS**

The K1 WWTP is undergoing a major upgrade and will become the main WWTP serving Karratha. By mid-2014, the plant capacity is planned to increase to 9.5 ML/day, and a new

water recycling facility will be constructed, capable of producing over 2,000 ML per year (5.4 ML/day) of high quality "Class A" recycled water.

The proposed KWRS seeks to supply 'Class A' recycled water for public open space irrigation purposes via a dedicated pipeline as illustrated in Appendix 1. The following locations will be supplied with Class A recycled water from this scheme, sourced from K1 WWTP and are the primary beneficiary locations of this upgrade project:

- Bulgarra Oval
- Cattral Park
- Pegs Creek Park
- Millars Well Oval
- Baynton West Adventure Park and Primary School
- Baynton West Public Open Space 2 and 3
- Karratha Leisureplex
- Tambrey Oval
- Karratha Golf Course
- minor verges, roundabouts and town centre locations.

Water Corporation notes the prioritised list developed by the Shire for future expansion (Appendix 2). Expansion of the scheme by the Shire to new locations, in addition to the locations listed above, will be subject to the availability of recycled water and the entering of appropriate commercial arrangements with Water Corporation.

### **In principle agreement**

By signing this letter agreement, Water Corporation and the Shire agree in principle as follows.

The proposed responsibilities for construction, funding, ownership and operation are as summarised in Table 1.

**Table 1**

	<b>Construction (including detailed planning and design)</b>	<b>Funding</b>	<b>Ownership and operation</b>
All new mains as illustrated in Appendix 1	Water Corporation	FAA	Water Corporation during construction  To be gifted to the Shire of Roebourne on completion
Pump station works on Water Corporation K1 WWTP (where required)	Water Corporation	FAA	Water Corporation
Connection of public open space to KWRS (as per list above)	Shire of Roebourne	Shire of Roebourne	Shire of Roebourne
Alternative ongoing operation of Tambrey Oval from K2 ('Class C')	Existing	Existing – Shire of Roebourne	Existing – Shire of Roebourne
Extension of KWRS in the future	Shire of Roebourne	Shire of Roebourne	Shire of Roebourne



Water Corporation estimates that the cost of works to be undertaken can be managed within the \$7.56 million available for this project. This estimate is subject to an assessment by Water Corporation of the suitability of utilising the existing DN150 pipeline on Dampier Road. If this pipe is not suitable for the ongoing operation of the scheme, the Shire would be required to fund its replacement.

In addition to the above, Water Corporation agrees in principle to be responsible for:

- construction of the new spine main and any required works on the K1 WWTP site; and
- provision of 'Class A' recycled water from the K1 WWTP, which will be stipulated in a Recycled Water Supply Agreement (RWSA).

In addition to the above, the Shire agrees in principle to be responsible for:

- connection of all public open space noted above to the KWRS within 6 months of handover;
- securing formal funding and supply agreements with Landcorp to supply recycled water as part of the Water Corporation spine main project, if required, to respective areas of Baynton West;
- securing formal supply agreements with the Department of Education to supply recycled water to respective areas of Baynton West;
- securing formal funding and supply agreements with any other third parties to supply recycled water to respective areas of throughout Karratha;
- funding of any shortfall (to be established as project definition and contracting processes progress); and
- ownership and operation of the KWRS on handover from the agreed supply point.

Water Corporation and the Shire agree to enter into a RWSA to document their respective rights and obligations in relation to the KWRS, post hand-over.

### Next steps

Water Corporation will incorporate the in principle agreement reached with the Shire in this letter into the draft FAA and then submit it to the DoRD for approval.

The FAA is expected to require contractual arrangements to be finalised between the Corporation and the Shire prior to works commencing. David Juers and Sandro Piscicelli of Water Corporation will be in contact with the Shire to progress these arrangements.

Water Corporation and the Shire agree to work together in a timely, open and responsive manner to jointly achieve the aims of the KWRS project.

Please acknowledge the Shire's in principle agreement with the terms of this letter by signing below and returning a copy of the signed letter to W Corporation.

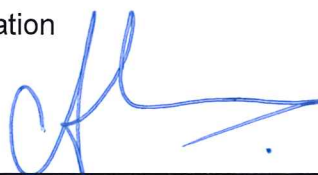
Yours sincerely



Ashley Vincent

General Manager Planning and Capability Group, Water Corporation

Dated this 14 day of February 2014



Chris Adams

Chief Executive Officer, Shire of Roebourne

Dated this 14 day of February 2014







Priority*	Site #	Current Water Source	Irrigated Area	Lowest Irrigation rate (mm/wk)	Lowest Demand (kL/wk)	Lowest Irrigation Demand kL/d	Lowest Cumulative Demand kL/d	Notes
High	1	Bulgarr Oval	Treated Effluent	40	2220	317	317	Figures exclude KEC and horse paddocks
High	4	Karratha Golf Course	Treated Effluent	45	8100	1157	1,474	Does not include 'Greening the Greens'
High	13	Kevin Richards Memorial Oval (Millars Well)	Treated Effluent	40	1600	229	1,703	
High	11	Karratha Leisureplex Oval	Treated Effluent	40	1200	171	1,874	Figures excludes turf irrigated with backwash water
High	10	Pegs Creek Oval	Treated Effluent	40	760	109	1,983	
High	23	Tambrey Oval	Treated Effluent	40	1000	143	2,126	
High	Various	Roundabout	Treated Effluent	35	0	1	2,127	3 roundabout upgrades and 4 existing
High		Karratha Cemetery	Treated Effluent		0	2	2,129	Includes Master Plan recommendations
High		Town centre	Potable		0	35	2,164	Street trees, verge and garden beds
High	Various	Verge Trees	Treated Effluent	35	0	20	2,184	Balmoral Rd, Dampier Hwy
High	9	Catrail Park	Treated Effluent	35	700	100	2,284	Figure allows for plant establishment
High	27	Baynton West Oval/Adv Park	Potable	40	928	133	2,416	Subject to developer contribution, figure allows for plant establishment
High	29	Baynton West Primary School	Potable	35	784	112	2,528	
High	31	Future Kookaburra Park (Jingami Development)	Potable	40	680	97	2,625	New development, future soccer field, subject to developer contribution Pindan
High	6	Madigan Road Greenspace	Future Treated Effluent	35	1225	175	2,800	New development, developer contributions? Need detailed stage by stage
Medium	24	Town Centre Drainage Reserves	Future Treated Effluent	35	700	100	2,900	Subject to approval of proposed landscape plan
Medium	24	Tambrey Park	Potable	35	578	83	2,983	
Medium		Old KEC oval, west and central horse paddocks	Treated Effluent	40	1100	157	3,140	
Medium	15	Baynton West POS 2 & 3 (Stages 6, 7 & 8)	Future Treated Effluent	35	830	119	3,259	New development, non active sport
Medium		Stage 2 Green the Greens	Treated Effluent	5	900	129	3,387	Volume may be reduced by building in superior water efficiency at design
Medium	29	Existing Kookaburra Park (Nickol West Skate Park)	Potable	35	525	75	3,462	Passive reserve and skate park
Medium		Mulataga Stage 1A	Future Treated Effluent		0	200	3,662	New development, 3rd pipe to homes for external use
Medium	16	Shire Office Park	Potable	35	75	11	3,673	
Medium	7	Waters Park	Potable	35	175	25	3,698	Established park, subject to upgrade, figures include upgrade
Medium	14	Michael Lewandowski Park	Potable	35	193	28	3,725	
Medium		Mulataga Stage 1B	Future Treated Effluent			400	4,125	New development, 3rd pipe to homes for external use plus POS
Medium		Mulataga Future Stages	Future Treated Effluent		0	1500	5,625	Future development, volumes TBC and detailed stage by stage
Medium	12	Karratha Oval	Potable	35	245	35	5,660	New High School
Medium	22	St Lukes	Potable	35	350	50	5,710	Subject to review of existing agreement
Medium		Karratha Primary School	Potable	35	700	100	5,810	
Medium	17	Gap Ridge	Future Treated Effluent		0	80	5,890	Subject to feasibility, volumes TBC
Medium	28	Brolga Park	Potable	35	116	17	5,907	New park, well patronized
Medium	30	Goshawk Park	Potable	35	182	26	5,933	New park - large turf area
Medium	5	Karratha Apex Park	Potable	35	35	5	5,938	Subject to business case cost to irrigate v's cost of potable
Low		St Pauls Primary School	Potable	35	455	65	6,003	
Low	8	Dodd Court Park	Potable	35	130	19	6,021	
Low	2	Shakespeare Park	Potable	35	53	8	6,029	Possible future upgrade
Low	18	Maister Park	Potable	35	60	9	6,037	
Low	19	Church Way Park	Potable	35	112	16	6,053	
Low	20	Miles Loop Park	Potable	35	53	8	6,061	
Low	21	Hillview Park	Potable	35	63	9	6,070	
Low	25	Ausburn Park	Potable	35	119	17	6,087	
Low	26	Smith Delambre Park	Potable	35	102	15	6,101	
Low		Ashton Park	Potable	35	77	11	6,112	Delete via park rationalisation plan
Low	3	Richardson Way Park	Potable	35	53	8	6,120	Delete via park rationalisation plan
Low		Webb Park	Potable	35	18	3	6,122	Delete via park rationalisation plan
Low		Peace Park	Potable	35	77	11	6,133	Delete via park rationalisation plan
		New Developments						
		Possible future 3rd party						
		Minimum water available 2014/15 - 3,650 KL/d						
		Minimum water available 2015/16 - 3,920 KL/d						
		Water available 2016/17 - 4,330 KL/d						