

ITEM**OPER – 09/05/2011 – FUNDING PROVIDED UNDER
COMMUNITY WATER GRANTS PROGRAM FOR
LITHGOW GOLF CLUB EFFLUENT RE-USE****REPORT BY: Iain Stewart Group Manager Operations**

REFERENCE

Min No: 08-107: Council Meeting 15 July 2008

SUMMARY

The Department of Sustainability, Environment, Water, Population and Communities (formerly Department of Environment, Water, Heritage and the Arts) are seeking the refund of funds already provided under the Community Water Grants programs for the re-use of treated effluent at the Lithgow Golf Course

COMMENTARY

Council made an application for funding of \$50,000 under the Commonwealth Government Water Fund, Community Water Grants program which is administered by the Department of Sustainability, Environment, Water, Population and Communities (formerly Department of Environment, Water, Heritage and the Arts) for the use of recycled water on the Lithgow Golf Course.

After the application was approved Council submitted a Project Plan of the works to be undertaken as per the application. After review by Department of Sustainability, Environment, Water, Population and Communities it was considered that the project, as originally proposed, did not comply with the requirements of the Community Water Grants program. Subsequently Council amended the Project Plan with the aim to meet the requirements of the program and were still unable to provide a project that met the requirements.

A letter was received on the 31 July 2009 from Community Water Grants seeking the refund of the \$50,000 that was already paid to the Council as the period allowed for the completion of projects under the program had not been complete. Further Project Plans were provided with the aim to secure and expend the funding providing to no avail.

Community Water Grant has recently contacted Council seeking the refund of funds provided or alternatively find a project that would see the re-use of treated effluent on golf course that meets the requirements of the Community Water Grants program and have the funds expended by mid May. This is unrealistic given the short period of time to complete any such works. In addition the conditions of the grant would require a dollar for dollar contribution by Council which is not provided within the current budget.

POLICY IMPLICATIONS

NIL

FINANCIAL IMPLICATIONS

NIL

LEGAL IMPLICATIONS

Should the funds not be repaid Council may be subject to legal action to recover the outstanding invoice

RECOMMENDATION

THAT Council resolve to refund the \$50,000 already paid to Lithgow City Council

ITEM **REG – 20/09/10 – FUNDING AGREEMENT FOR THE
LITHGOW GOLF COURSE RECYCLED WATER
PROJECT**

REPORT BY: GROUP MANAGER REGIONAL SERVICES - ANDREW MUIR

REFERENCE

Ordinary Meeting of 18th January 2010

SUMMARY

The Funding Agreement for the Lithgow Golf Course Recycled Water Project with the Department of Environment, Water, Heritage and the Arts (DEWHA) has now been finalised. This report provides details of the Funding Agreement e.g. Project Milestones, Funding and Payment and Budget and seeks a resolution to execute the agreement.

COMMENTARY

Council has received an Australian Government commitment to provide funding of up to \$350,000 for the Lithgow Golf Club Recycled Water Project under the *Water for the Future – National Water Security Plan for Cities and Towns* to transfer treated effluent from the Lithgow Sewage Treatment Plant to the Lithgow Golf Course to be used for irrigation purposes on the course.

Water for the Future is the Australian Government's strategy to secure the long term water supply of all Australians. *Water for the Future* has four key priorities; taking action on climate change; using water wisely, securing water supplies and supporting healthy rivers. Through the Program the Department is able to work in partnership with state and local government and local water authorities and provide funding to minimise water loss, invest in modern, more efficient water infrastructure, refurbish older pipes and water systems and support practical projects to save water.

The project for which this project applies is the construction of a pipeline to convey up to 1500 ML per annum of treated effluent from the Lithgow Sewage Treatment Plant to the Lithgow Golf Course where it will be used for the irrigation of the course with the objective of improved sustainability of the area's potable water supply through better resource management by replacing 20 ML of potable water with recycled water from the sewage treatment plant for irrigation purposes.

Conditions of Funding

To be eligible to receive Funding You must satisfy the following Conditions of Funding:

- Funding is contingent upon Lithgow City Council committing to provide or source funds to fully implement all aspects of the Lithgow Golf Course Recycled Water Project including the irrigation upgrade as proposed in the project plan (subject to any variations arising from Section 60 approval).
- Funding is contingent upon approval being given for the overall project under Section 60 of the *Local Government Act 1993* (NSW) in a manner that does not significantly alter the intent of the proposal.

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- Funding for the construction of the pipeline from the sewage treatment plant to the golf course is capped at \$350,000 (exclusive of GST).

DEWHA also requires Council to undertake the following activities to the satisfaction of DEWHA, including all actions that are incidental to the achievement of those activities.

- Completion of a Recycled Water Management Plan and subsequent approval under section 60 of the *Local Government Act 1993* (NSW).

An Environmental Assessment will be conducted at the various project sites under best management practices as outlined in *Environmental Guidelines: Use of Effluent by Irrigation and National Guidelines for Water Recycling* to optimize the use of water, nutrients and organic matter associated with effluent reuse.

After the completion of the Environmental Assessment a risk management framework is to be developed that describes the nature of the system and how it be operated and managed, this will be further developed in the Recycled Water Management Plan.

These two processes, along with preliminary design, will form the Recycled Water Management Plan, which is required to be submitted for development consent and application for approval under section 60 of the *Local Government Act 1993*

- Augmentation of the Lithgow Sewage Treatment Plant

As part of the augmentation LCC has incorporated the necessary infrastructure for both on-site (STP site) and off-site effluent reuse. Through the design stages of the augmentation consideration was given to the Golf Course Effluent Reuse project and therefore the necessary infrastructure was sized to accommodate the pumping of recycled water to the Golf Course.

The following infrastructure is to be installed;

- Reclaimed water storage tank (22.5 kl)
- 2 pumps capable of delivering 10 L/s @ 60m
- 100 mm DICL PN35 rising main to the boundary of the STP

- Irrigation at the Golf Course

A design of the irrigation system was undertaken by Mid – West Irrigation in 2005 (refer to figure 2, Irrigation Layout Design, below) and has been installed gradually over the last 4 years. A new ring main around the perimeter of the golf course has been constructed and the infrastructure for the watering of one fairway has been completed.

To complete the irrigation network the following infrastructure is required to be installed:

- Central Computer with Toro Site Pro Irrigation program
- Toro LTC Plus, 32 and 24 station electric Satellites
- Communications wiring to solenoid valves
- Irrigation pipework including sprinklers, solenoid valves etc as per design

Development of a Steering Committee

Council is also required to establish a Steering Committee for the Project that will meet at least every 3 months either directly or by conference call. The purpose of the Steering Committee is to:

- coordinate and oversee the performance of the Project; and
- enable the members and observers of the Steering Committee to obtain information regarding the progress of the Project and to provide comment and guidance regarding the performance of the Project.

The requested membership provided by DEWHA of the Steering Committee will comprise:
 Chair (Group Manager Regional Services)
 Committee Secretary
 Manager, Water and Waste
 Environmental Health Officer
 Lithgow Golf Club representative(s)
 Project manager/engineer
 Independent expert/consultant

Project Milestones

Milestone Number	Milestone Detail	Planned Completion Date
1	Sign the funding agreement	August 2010
2	a. Completion of Stage 1- development of detailed plans including a project implementation plan, confirmation of proposed potable water savings, obtain relevant approvals, secure proponent funding, confirm final project costs, and detail how the proponent will report on actual potable water savings achieved. b. Provision of completed <i>Recycled Water Management Plan</i> c. Provide evidence of Section 60 approval under the <i>Local Government Act 1993</i> d. Provision of a Progress Report to the satisfaction of the Department	February 2011
3	a. Completion of tendering process for construction phase b. Commencement of pipeline construction c. Provision of a Progress Report to the satisfaction of the Department	June 2011
4	a. Completion of pipeline construction b. Commissioning of pipeline c. Provision of a Progress Report to the satisfaction of the Department	October 2011
5	Submission of a Final Report to the satisfaction of the Department	November 2011

Milestone dates will be amended after acceptance of the Funding Agreement by Council

Funding

The maximum funding for the project is \$350,000

Payment Number and Type	Payment Schedule	Amount
1	On satisfactory completion of Milestones 1 and 2	\$105,000
2	On satisfactory completion of Milestones 3, 4 and 5	\$245,000

POLICY IMPLICATIONS

Council will be required to adopt the Recycled Water Management Plan as a policy prior to seeking Section 60 approval under the *Local Government Act 1993*.

FINANCIAL IMPLICATIONS

Expenditure Item	Funding	Council Contribution	Total Cost
Project lead work: planning, design and approvals	NIL	\$169,000	\$169,000
Pipe, valves and fittings	\$142,047	NIL	\$142,047
Pipelaying	\$199,318	NIL	\$199,318
Commissioning, proving and restoration	\$8,635	\$31,865	\$40,500
TOTAL	\$350,000	\$200,865	\$550,865

LEGAL IMPLICATIONS

NIL

RECOMMENDATION

THAT

1. That Council accept the funding of \$350,000 for the construction of a pipeline to convey recycled water to the Golf Course and the Common seal be authorised to be affixed to the Funding Agreement