

Contents

Clause number	Heading	Page
1.	Responsibilities	2
2.	Charges	3
3.	Contract Duration	4
4.	Quantity of Reclaimed Water Supplied	4
5.	Quality of Reclaimed Water	4
6.	Transfer of Reclaimed Water Allocation Prohibited	4
7.	Issue Resolution	5
8.	PLM's Indemnity	5
9.	Termination for PLM's Default or Insolvency	5
10.	Changes in Law	6
11.	Force Majeure	7
12.	Changes	7
13.	Environmental issues	7
14.	Consequential loss	8
15.	Enhanced quality of reclaimed water	8
16.	Goods and Services Tax, other taxes, duties and imposts	8
17.	Efficiency of REMS	8
18.	General	9
19.	Definitions	10
	Schedule 1	14
	Property Management Plan (PMP)	14
	Scheme Generic Conditions	14
	Schedule 2	19
	Individual Property Management Plan	19
	Attachment: Irrigation Area Map	21

Annexure
Environmental Management Plan

22
22

Northern Shoalhaven Reclaimed Water Management Scheme (REMS) Deed of Agreement

This Deed of Agreement ("the Agreement") is made on the 30th day of March, 2001.

Between

Shoalhaven City Council of Bridge Road, Nowra, NSW 2541 ("SCC")

and

[] (ACN) of
[], Participating Land Manager ("PLM")

Recitals

- A. SCC has developed the Northern Shoalhaven Reclaimed Water Management Scheme (REMS) to enable reclaimed water to be supplied to the properties of participating land managers.
- B. The PLM has made an application to SCC for SCC to supply reclaimed water to it.
- C. The PLM and SCC have entered into a Heads of Agreement for SCC to supply reclaimed water to the PLM.
- D. To enable SCC to supply reclaimed water to the PLM and for the PLM to be able to take reclaimed water, both SCC and PLM will incur significant expenditure, firstly for SCC to provide a reticulation system to the PLM's property or properties (as the case may be) and to other participating land managers and a balance pond on each such property and secondly the PLM will be required to install an irrigation and ancillary systems for the use of reclaimed water on their property or properties (as the case may be).
- E. The supply of reclaimed water to participating land managers on a daily and yearly basis has been established so that:
 - (a) participating land managers receive, where possible, an adequate supply of reclaimed water even in relatively dry years;
 - (b) water tables do not rise significantly as a result of the increased irrigation on the lower Shoalhaven floodplain;
 - (c) the average re-use of reclaimed water for the total scheme is no less than 60 percent over the 30 year life of the Scheme.
- F. Other participating land managers have made or may in the future make application to SCC for SCC to supply reclaimed water to them.

- G. The parties agree that SCC will supply reclaimed water to the PLM on the terms and conditions set out in this Agreement.

Agreement

In consideration of the performance of this Agreement by SCC and by the PLM and the mutual covenants and conditions contained in this Agreement, the parties agree as follows:

1. Responsibilities

- 1.1 SCC must comply with the requirements of all statutes, ordinances, regulations, State and regional environmental planning policies, by-laws, orders and proclamations made or issued under any Act of the State of New South Wales or Commonwealth of Australia.

In particular and without limiting the generality of the above obligations, SCC must comply with the following:

Protection of the Environment Operations Act 1997 (NSW)
Local Government Act 1993 (NSW)
Trade Practices Act 1974 (Cth).

- 1.2 The PLM must comply with the requirements of all statutes, ordinances, regulations, state and regional environmental planning policies, by-laws, orders and proclamations made or issued under any Act of the State of New South Wales or Commonwealth of Australia.

In particular and without limiting the generality of the above obligations, the PLM must comply with the following:

Protection of the Environment Operations Act 1997 (NSW)
Food Production (Safety) Act 1998 (NSW).

- 1.3 SCC must:

- (a) install and maintain reclaimed water infrastructure upstream of the point of connection to the PLM's property (as part of REMS) as specified in Schedule 2;
- (b) construct or cause to be constructed a balance pond as specified in this Agreement with liner, balance pond level switch, control valve and stock-proof fence on the PLM's property downstream of the point of connection to the PLM's property;
- (c) maintain the balance pond including the liner for a period of 5 years from completion and commissioning of the balance pond and the balance pond level switch and control valve for the term of the Deed of Agreement;

- (d) supply reclaimed water to the PLM at the PLM's point of connection to the REMS, in the quantity and quality as specified in Schedules 1 and 2;
- (e) maintain and operate the REMS in accordance with the current (from time to time) relevant statutory instruments and the Scheme Environmental Management Plan, a copy of which is annexed hereto;
- (f) report to the PLM on REMS performance as required by Schedule 1;
- (g) establish and maintain a point of contact to SCC for the PLM;
- (h) establish a Scheme Management Committee and supervise its operation.

1.4 **The PLM must:**

- (a) install, maintain and operate reclaimed water infrastructure (excluding the balance pond with liner (for the period prior to the expiry of the 5 year period referred to in clause 1.3(c) above), balance pond level switch and control valve) downstream of the point of connection to the PLM's property as specified in Schedule 2, as approved by SCC;
- (b) utilise its allocation of reclaimed water in accordance with Schedules 1 and 2;
- (c) manage reclaimed water usage in accordance with Schedules 1 and 2;
- (d) give written notice to SCC if it is unable to use its reclaimed water allocation for a period greater than two months. This provision applies only in the period 1 September – 31 March in each calendar year.
- (e) grant the right to SCC and its employees, agents and contractors to enter and inspect the property of the PLM and carry out any actions necessary in accordance with this Agreement, Property Management Plan, Scheme EMP and EPA licence. This will include inspection of the PLM's reclaimed water infrastructure and maintenance of the balance pond with liner, balance pond level switch, control valve and stock-proof fence. Wherever possible, SCC will provide prior notification to the PLM when access is required;
- (f) report to SCC on the maintenance and operation of the PLM's reclaimed water infrastructure in accordance with Schedule 1, in particular regarding any significant problems or failures with the operation of PLM's reclaimed water infrastructure.

2. Charges

- 2.1 **SCC** will supply reclaimed water to the PLM at no charge for a period of fifteen [15] years from the date of commencement of supply of reclaimed water to the PLM.

- 2.2 Following the period referred to in clause 2.1, any reclaimed water charges will be in accordance with the *Local Government Act 1993*.

3. Contract Duration

- 3.1 The term of this Agreement shall be fifteen years from the date of commencement of supply of reclaimed water to the PLM, or shall expire on 1 October 2016, whichever is the earlier time. SCC grants the PLM an option to extend this Agreement on the same terms (excluding clauses 2.1 and 3.1 (first paragraph)) for a further 15 years. If the PLM wishes to exercise the option, it must do so by notice in writing to SCC no later than 3 months prior to the expiry of the 15 year term.

It is the intention of the parties to this Agreement that a new agreement be entered into at the expiry of this Agreement and the option agreement under which SCC would continue to supply reclaimed water to the PLM (and other property owners) on terms to be agreed at that time, but generally in accordance with the provisions of this Agreement. This intention does not, however, constitute any binding agreement beyond the term of this Agreement nor does it constitute a representation by SCC (or by PLM) that it will enter into a further agreement for the supply of reclaimed water.

4. Quantity of Reclaimed Water Supplied

- 4.1 SCC must supply reclaimed water at least at the minimum rate as specified in Schedule 1. The parties acknowledge that the maximum rate of supply by SCC to the PLM is specified in Schedule 1.

5. Quality of Reclaimed Water

- 5.1 SCC must supply reclaimed water to the PLM generally in accordance with the quality specified in Schedule 1.

6. Transfer of Reclaimed Water Allocation Prohibited

- 6.1 The PLM acknowledges that it has no right to trade or transfer its reclaimed water allocation to any other property owner, or to any other participating land manager under a similar agreement to this Agreement or to any other person or entity.
- 6.2 If the PLM transfers title of the property to which reclaimed water is supplied as specified in Schedule 2, existing reclaimed water allocations may be made available to the successor in title of the property to the PLM, in SCC's absolute discretion and subject to the successor in title of the property and the PLM entering into a deed of novation of this Agreement with SCC, to effect a transfer of the PLM's rights and obligations under this Agreement to the successor in title of the property.

7. Issue Resolution

- 7.1 **E**ither party may give notice to the other of an Issue concerning the meaning or effect of the Agreement or about any matter arising under or out of the Agreement within 28 days after becoming aware of the Issue. It is acknowledged by the parties that Issues may relate to such matters as the application and granting of allocations and assessment of non-compliances.
- 7.2 **W**ithin 14 days of written notification of the Issue, a representative of each party must meet to endeavour to resolve the Issue.
- 7.3 **I**f the Issue is not then resolved, the Issue may be referred by either party to the then current General Manager, Shoalhaven City Council ("General Manager"). The General Manager may request that the parties make a written submission and attend a conference. The General Manager will give his or her decision as soon as practicable after the Issue is referred to him or her (as the case may be), but in any event within 28 days of receipt of written notification of the issue.
- 7.4 **I**f either party is dissatisfied with the decision of the General Manager, that party may require that the matter be the subject of a mediation to be conducted by an agreed mediator (or failing agreement one appointed by the Australian Commercial Disputes Centre ("ACDC")) in accordance with ACDC's guidelines for commercial mediation.
- 7.5 **T**he procedures in clauses 7.1-7.4 must be followed before either party commences proceedings or takes similar action.

8. PLM's Indemnity

The PLM indemnifies SCC against any claims, actions, proceedings and loss or damage to property or injury or death arising out of any act, omission, default or negligence of the PLM in connection with the supply and use of reclaimed water in or adjacent to the PLM's property. The PLM's responsibility to indemnify SCC is reduced to the extent that an act or omission, default or negligence of SCC contributes to loss or damage to property or injury or death.

9. Termination for PLM's Default or Insolvency

- 9.1 **I**f the PLM commits any breach of this Agreement, the Principal may give notice to the PLM that he or she has 14 days to remedy the breach.
- 9.2 **I**f the PLM fails within 14 days from the date of the Principal's notice to give SCC a written notice containing clear evidence that it has remedied the breach, or fails to propose steps reasonably acceptable to SCC to remedy the breach then SCC may give the PLM a notice terminating the Agreement.

9.3 In such event, SCC is entitled to terminate the PLM's point of connection to the REMS and remove from the PLM's property the liner, the balance pond level switch, control valve and any other equipment or other goods which SCC has installed on the PLM's property.

The PLM shall be liable to SCC for any loss or damage suffered by SCC as a result of the breach or the termination of this Agreement.

SCC may then reallocate the reclaimed water usage rights of the PLM. Loss or damage suffered by SCC includes, without limiting the generality of such loss or damage, the recovery of costs involved in installation of the REMS ring main to the PLM's property (including cost of survey and design work associated with installation of the REMS ring main). However, the parties agree that a genuine pre-estimate of the loss or damage which might be suffered by SCC is in accordance with the following table:

Period from Commencement of Supply	Liquidated Damages \$
1 year	\$7,500
2 years	\$7,500
3 years	\$7,500
4 years	\$7,500
5 years	\$7,500
6-15 years	NIL

9.4 If the PLM becomes bankrupt or insolvent as the case may be, SCC will give the PLM 14 days notice of its intention to terminate this Agreement by written notice to the PLM, without the need to give any notice of the kind referred to in clause 9.1. If during the 14 day period the PLM is able to establish a substitute party acceptable to SCC (as referred to in clause 6.2) to take a novation of this Agreement then this Agreement will not then be terminated.

10. Changes in Law

10.1 Should any change in law render performance of this Agreement impossible then this Agreement shall terminate and each party's rights and obligations shall be as determined at law and in accordance with any applicable statutes.

10.2 Should a change in law lead to additional unanticipated costs being incurred by either party in relation to the supply of reclaimed water then the parties shall endeavour to agree upon an equitable adjustment to any applicable charges being made by SCC to the PLM.

11. Force Majeure

11.1 Definition of Force Majeure

In this clause, "force majeure" means an event beyond the control of SCC and the PLM, which makes it impossible or illegal for a party to perform, including but not limited to:

- (a) act of God and other natural disasters, including floods, storms, earthquakes;
- (b) sabotage;
- (c) environmental or public health or animal health protection issues.

11.2 Effect of Force Majeure

Neither SCC nor the PLM shall be considered in default or in breach of this Agreement to the extent that performance of obligations is prevented by a force majeure event which arises after the date of this Agreement.

11.3 PLM's Responsibility

Upon occurrence of an event considered by the PLM to constitute force majeure and which may affect performance of its obligations, the PLM shall promptly notify SCC, and shall endeavour to continue to perform its obligations as far as reasonably practicable.

11.4 SCC's Responsibility

Upon occurrence of an event considered by SCC to constitute force majeure and which may affect performance of its obligations, SCC shall promptly notify the PLM, and shall endeavour to continue to perform its obligations as far as reasonably practicable.

12. Changes

SCC may change the REMS and the PLM's share and quality of supply of reclaimed water. SCC may increase or decrease the number of participating land managers in the overall Scheme. Where appropriate and practicable, SCC will refer proposed changes to the PLM's share and quality of supply to the Scheme Management Committee.

13. Environmental issues

- 13.1 **T**he Scheme shall be managed in accordance with the EMP. Both SCC and the PLM must comply fully with their respective obligations under the EMP.
- 13.2 The PLM must only use reclaimed water for permissible uses (as referred to in paragraph 1.7 of Schedule 1) and not otherwise. The PLM must, as a condition of

this Agreement, in its use of reclaimed water, take all steps necessary to prevent breach of any Scheme licence or EMP conditions.

- 13.3 In consideration of SCC agreeing to be the holder of the licence for the Scheme, pursuant to the Protection of the Environment Operations Act 1997, the PLM indemnifies SCC against all claims, actions, proceedings and loss or damage arising out of any infringement of licence conditions which is caused by or contributed to by the PLM.

14. Consequential loss

- 14.1 Neither party shall be in any event liable to the other under any indemnity or by reason of any breach of the Agreement, in tort, in equity or under any statute for loss of production, loss of profit, loss of any contract or for any indirect special or consequential loss or damage which may be suffered by the party not in default, arising out of or in connection with the Agreement.
- 14.2 The total liability of SCC to the PLM under the Agreement or otherwise shall not exceed the Holding Charge.

15. Enhanced quality of reclaimed water

Should SCC be able in the future to provide a higher quality of reclaimed water than specified in Schedule 1 then the parties shall use their best endeavours to reach agreement on an equitable adjustment to the charge to be paid by the PLM to SCC for the enhanced water quality. Provided however that in a period of otherwise free supply of reclaimed water, this right to receive free reclaimed water shall not be affected unless the PLM agrees otherwise.

16. Goods and Services Tax, other taxes, duties and imposts

The PLM must indemnify SCC against any costs, losses and expenses incurred or suffered by SCC or an associated entity for goods and services tax, other taxes, duties and imposts in connection with the supply of reclaimed water to the PLM, whether or not these taxes, duties and other imposts are in operation at the date of this Agreement or whether they arise in the future; the intention being that SCC suffers no financial loss on account of such imposts arising out of its undertaking to supply reclaimed water to the PLM.

17. Efficiency of REMS

If circumstances arise such that it is uneconomical for SCC to continue to maintain and operate the REMS for the purposes of supplying reclaimed water to the PLM and other participating land managers, whether by virtue of other participating land managers either not having joined the Scheme or having withdrawn from the Scheme, then SCC reserves the right to terminate this Agreement upon reasonable notice to the PLM. Such reasonable notice shall

be deemed to be a period of [12] months, in which time SCC would continue to supply reclaimed water so as to give the PLM time to make other arrangements in relation to its irrigation requirements.

18. General

18.1 Warranty

Each party warrants and represents that it has authority to enter into this Agreement.

18.2 Assignment

This Agreement shall be binding upon the successors and permitted assigns of each of the parties. The PLM must not assign this Agreement without the prior written consent of SCC.

18.3 Notices

All notices shall be in writing and transmitted in person or by certified mail to the addressees noted below:

SCC Manager Shoalhaven Water
 PO Box 42
 Nowra NSW 2541

PLM

18.4 Variation and Waiver

This Agreement may not be varied except by agreement in writing signed by the parties. No waiver by either party of any default or defaults by the other in the performance of any of the provisions of this Agreement shall operate or be construed as a waiver of any other or further default or defaults whether of a like or different character.

18.5 Severance of Terms

If any provision of this Agreement shall be declared invalid, unenforceable or illegal by the courts of any jurisdiction to which it is subject, such invalidity, unenforceability or illegality shall not prejudice or affect the remaining provisions of this Agreement which shall continue in full force and effect notwithstanding such invalidity, unenforceability or illegality. In such event the parties shall amend this Agreement to give effect as close as possible to the provision that has been declared invalid, unenforceable or illegal.

18.6 Entire Agreement

This Agreement contains the entire agreement between the parties with respect to the subject matter hereof and expressly excludes any warranty, condition or other undertaking implied at law or by custom and supersedes all previous agreements and understandings between the parties with respect thereto (including, without limiting the generality thereof, any Heads of Agreement signed by the parties) and each of the parties acknowledges and confirms that it does not enter into this Agreement in reliance on any representation, warranty or other undertaking not fully reflected in the terms of this Agreement.

18.7 Confidentiality

The PLM shall not divulge to any third party any information regarding the terms of this Agreement, without the prior written approval of SCC. With the exception of disclosure by SCC for the purposes of complying with statutory obligations and general information about participation by PLM's such as the number of agreements, areas irrigated and volumes of reclaimed water irrigated, SCC shall not divulge to any third party information regarding the terms of this Agreement, without the prior written approval of the PLM.

18.8 Ownership of and Copyright in Documents

Ownership of and copyright in all drawings, specifications, procedures and other documentation and software provided by SCC or prepared by the PLM pursuant to this Agreement shall be and shall remain vested in SCC.

18.9 Insurance

Each party must effect all insurances which are relevant to each party's respective obligations under this Agreement in amounts and for such periods as are appropriate to this Agreement. These insurances must include, without limitation, workers compensation, public liability, motor vehicle and contract works insurances. Each party must provide evidence of the currency and details of these insurances promptly upon request by the other party to do so.

19. Definitions

Allocation – the amount of REMS water available to a PLM as specified in Schedules 1 and 2.

Balance pond – means a structure, located on the PLM's property, to temporarily store reclaimed water for approved purposes as defined in Schedule 1, paragraph 1.6.

Constituents – means the physical, chemical or biological qualities of reclaimed water to be monitored by SCC as defined in the Scheme EMP.

Dairy effluent – means waste water produced from the operation of dairy sheds, pens and yards.

Downstream – means the conveyance of reclaimed water within the PLM reticulation system.

EMP – means the Scheme Environmental Management Plan.

Farm Yard wash down – means the cleaning with water of pens and yards used to hold cattle. The resulting waste water is considered to be dairy effluent.

Heads of Agreement – means the agreement referred to in Recital C.

Holding Charge – means the sum of \$7,500, as referred to in clause 14.2.

Infrastructure – means equipment and devices to store, convey and otherwise manage reclaimed water.

Irrigation – means the application of reclaimed water to land.

Issue – means any issue, dispute or difference raised by either party under clause 7.

Maximum rate – means the highest quantity per unit time that Scheme reclaimed water can be equitably supplied to the PLM and all other participating land managers.

Minimum rate – means minimum rate of supply.

Minimum rate of supply – the minimum quantity per unit time that Scheme reclaimed water can be supplied to the PLM and all other participating land managers.

Nutrients – means the chemical constituents of reclaimed water relevant to soil fertility. The types of nutrients to be monitored are defined in the Scheme EMP.

participating land manager – an individual or a member of a group which has entered into a Deed of Agreement for the supply of Reclaimed Water under the REMS, including the PLM except where the context requires otherwise.

Point of Connection – the physical linkage between scheme reclaimed water supply mains and the PLM irrigation infrastructure as specified in Schedule 2.

Point of Contact – means the REMS scheme manager or any other person or communication device as specified by SCC.

Reclaimed Water – means fully treated sewage effluent supplied from the SCC treatment works.

Reclaimed Water share – has the meaning given in paragraph 1.2 of Schedule 1.

REMS – refers to the Northern Shoalhaven Reclaimed Water Management Scheme. The REMS involves the collection of reclaimed water from any of the following: Nowra, Bomaderry, Culburra, Vincentia, St Georges Basin and the Callala Wastewater Treatment Plants or any other source that Council may from time to time include in the scheme.

Reticulation System – means the pipework and associated infrastructure operated by SCC to convey reclaimed water as part of the REMS.

Scheme – means the REMS and the individual irrigation infrastructure of each participating land manager.

Scheme Environmental Management Plan – a management plan for the operation, monitoring and reporting on the performance of the REMS, developed and maintained by SCC in accordance with its Environment Protection Licence and any other NSW Government statutes, policies or guidelines that may be in force from time to time, together with the PLM's irrigation system and the irrigation systems of other participating land managers.

Scheme Management Committee – a committee maintained by SCC with representation of the PLMs and other bodies to review and advise on REMS operations.

Scheme Manager – means a person appointed by SCC to manage and coordinate the operation of the REMS.

Stock drinking water – has the meaning given in Schedule 1.

Upstream – means the conveyance of reclaimed water within the REMS reticulation system.

User – means a person or persons utilising reclaimed water supplied by SCC.

Executed as a Deed

The Common Seal of)
Shoalhaven City Council)
was affixed to this document)
in the presence of:)

Signature of authorised person

Signature of authorised person

Name of authorised person (please print)

Name of authorised person (please print)

The Common Seal of)
The Participating Land Manager)
was affixed to this document)
in the presence of:)

Signature of director

Signature of director/secretary

Name of director (please print)

Name of director/secretary (please print)

OR

Signed sealed and delivered)
by **The Participating Land Manager**)
in the presence of:)

Signature of landowner

Print name of landowner

Signature of witness

Print name of witness

NOTE: The information contained in Schedule 2 must be completed and approved by Shoalhaven City Council before the Agreement is signed.

Schedule 1

Property Management Plan (PMP)

Scheme Generic Conditions

1.1 Scheme reclaimed water quality

- .1 Reclaimed water will be treated by SCC to a quality that complies with current Government reclaimed water guidelines, policies or statutes.
- .2 SCC will ensure that the quality of reclaimed water supplied to the PLM's point of connection complies with current Government reclaimed water guidelines, policies or statutes for any of the reclaimed water uses in paragraph 1.7 below.
- .3 In the event of future changes to the Government reclaimed water guidelines, policies or statutes for any of the reclaimed water uses in paragraph 1.7 below, SCC may upgrade reclaimed water quality accordingly.
- .4 SCC will monitor and record the amount of nutrients and other constituents supplied in reclaimed water as defined in the EMP.
- .5 In relation to the nutrient content of reclaimed water:
 - (a) Prior to the initial connection of the REMS reclaimed water supply to the PLM's property, SCC will provide to the PLM in writing with the estimated average nutrient content per kilolitre (kL) of reclaimed water.
 - (b) SCC will notify the PLM in writing on a quarterly basis of the amount of reclaimed water used by the PLM and the estimated nutrient content in reclaimed water since the previous advice.
 - (c) The nutrient content of reclaimed water will be expressed as equivalent kg of commonly used fertiliser products/kL of reclaimed water.
 - (d) The PLM will be responsible for considering the notification in (b) above when determining the amounts of fertiliser to be used on the PLM's land being irrigated with reclaimed water.
- .6 SCC will provide written notification annually (by way of a Scheme annual report or other documentation) to PLM's of the test results of other scheme monitored reclaimed water constituents.
- .7 SCC will notify the PLM within 24 hours (or if the PLM is not contactable, then as soon as practicable) of receiving reclaimed water test

results that significantly exceed the threshold levels in the EMP for reclaimed water quality for use of reclaimed water for irrigation or for other permissible uses.

- .8 SCC will notify the PLM within 48 hours (or if the PLM is not contactable, then as soon as practicable) of receiving such test results of any actions taken by SCC or to be taken by the PLM in the event of test results that significantly exceed the threshold levels in the EMP for reclaimed water quality. SCC will use its best endeavours to do everything reasonably within its power to prevent water quality exceeding specified EMP threshold levels.
- .9 SCC may request written evidence from PLMs that they have carried out such actions requested by SCC in 1.1.8 above.
- .10 The PLM must prevent pollution from its property as a result of its use of reclaimed water. The PLM must not re-use any reclaimed water that has been used for irrigation by the PLM.

1.2 Reclaimed water share

- .1 A proportional share (“reclaimed water share”) of total available scheme supply will be allocated to each participating land manager's property based on the participating land manager's land area to be irrigated and land use as specified in Schedule 2. The reclaimed water share is based on the following:

$$\text{reclaimed water share} = \frac{\text{participating land manager's irrigation area allocation as per Schedule 2}}{\text{*total Scheme irrigation area}}$$

* This figure may change from time to time

- .2 Additional reclaimed water share may be allocated by SCC for farm yard wash down or any other uses as specified in paragraph 1.6 below.
- .3 A participating land manager's reclaimed water share of total available scheme supply may change over time as a result of increases to the number of participating land managers or reclaimed water flow rates. Participating land managers will be notified by SCC when any changes to reclaimed water shares are made.

1.3 Balance pond for temporary storage of reclaimed water

- .1 A balance pond of agreed capacity (but of not less than 24 hours irrigation supply) and standard must be constructed by SCC on the PLM's property for the purpose of storing reclaimed water before it is used for irrigation or other uses as specified in paragraph 1.6 below.

- .2 SCC shall have no responsibility for any deterioration in the quality of reclaimed water stored in the balance pond after the time of supply to the PLM's point of connection. However SCC maintains the right to monitor the quality of reclaimed water in the balance pond from time to time.
- .3 A separate document titled "Agreement for Construction and Temporary Maintenance of REMS Balance Pond", entered into or to be entered into by the PLM and SCC on or about the same date as this Agreement, shall govern construction, temporary maintenance of the balance pond and related matters.

1.4 Reclaimed water supply rate

- .1 Reclaimed water will be supplied by SCC to the PLM's property at a maximum rate of 0.035 ML/Ha/day. "**Ha**" is the PLM's irrigation land area allocation in Schedule 2.
- .2 Reclaimed water will be supplied to the PLM's property (or properties) at a minimum rate of supply that is equivalent to the PLM's proportional share of dry weather flow from the participating Scheme wastewater treatment plants except where Scheme supply is reduced or stopped due to public or environmental health risks or a system failure.

1.5 Reclaimed water delivery

- .1 Reclaimed water will be delivered to the PLM's point of connection as shown on Map 1 (Schedule 2).
- .2 SCC will have reclaimed water available to the PLM, at the PLM's point of connection, from 1 October 2001 or such other date as advised by SCC.

1.6 Permissible uses of reclaimed water

- .1 **Irrigation**
 - (a) Reclaimed water is permitted to be used by the PLM for irrigation of lands (as defined in Map 1 Schedule 2), using *suitable* irrigation systems and for suitable land uses including dairy or beef pastures, fodder crops, golf course fairways and greens or any other permissible irrigation activity as determined by SCC, at all times strictly in accordance with the Scheme licence conditions and the EMP.
 - (b) All irrigation will be scheduled using the Irricalc computer program or other means compatible with Scheme operating systems.

.2 Mixing reclaimed water with dairy effluent or stormwater for the purposes of irrigation

- (a) The PLM may wish to include effluent produced from treatment of dairy shed wastes or stormwater within the same irrigation system as that being used for reclaimed water. The PLM is responsible for managing the quality of any "mixed" water used for irrigation. The PLM must notify SCC in writing when any mixed waters, including reclaimed water, are used for irrigation.
- (b) The conditions in paragraph 1.6.2(a) above do not apply if dairy effluent or stormwater is irrigated separately from the reclaimed water irrigation scheme. SCC may advise the PLM on available irrigation guidelines for dairy effluent or stormwater.
- (c) If dairy shed wastes are mixed with reclaimed water, the resulting "mixed" water must be managed as dairy effluent in accordance with the guidelines '*Managing Dairy Farm Waste*' produced by the NSW Dairy Farmers' Association and NSW Agriculture (2001).

.3 Reclaimed water for stock drinking water

- (a) Reclaimed water will not be used as stock drinking water until such time as the PLM is notified in writing by SCC that such a use is permissible. The PLM will then have the option of using reclaimed water for stock drinking water after the date of such notification.
- (b) Guidelines for use of reclaimed water as dairy stock drinking water will be provided to the PLM by SCC.

.4 Reclaimed water for dairy farm yard wash down

- (a) The PLM may use reclaimed water for yard washdown water.
- (b) Permissible uses include hosing down yards and pens.
- (c) Reclaimed water may not be used for cleaning animals or any equipment used for milking or as cooling water for milk storage containers.
- (d) Guidelines for use of reclaimed water as yard wash down water will be supplied to the PLM by SCC.

1.7 Minimum annual usage of reclaimed water

- .1 In each year of this Agreement, the PLM must use a minimum amount of reclaimed water, calculated as:

0.75 x PLM's reclaimed water share x total annual reclaimed water usage by all participating land managers (ML)

- .2 SCC will keep records of reclaimed water used by each participating land manager in each year of this Agreement.
- .3 If the PLM's annual usage is less than the minimum amount referred to in clause 1.7.1 above, then the PLM must use its best endeavours to comply with clause 1.7.1 in subsequent years.

1.8 Scheme performance and reporting

- .1 The PLM will meet with SCC's scheme manager on at least an annual basis to review reclaimed water usage on the PLM's property and to assist SCC in evaluating scheme performance.
- .2 The Scheme Management Committee will be provided the opportunity by SCC to comment on a draft of the annual Scheme environmental management report prior to that report being finalised.
- .3 SCC is to provide a copy of the annual Scheme environmental management report to the PLM and other participating land managers once the report is finalised.

1.9 Review of scheme operating procedures and guidelines

- .1 Schedules 1 and 2 may be changed by SCC from time to time to reflect legislative changes which affect the Scheme.
- .2 The PLM will be notified by SCC of any changes to Scheme guidelines and Schedules 1 and 2 within 28 days of the changes occurring.

Schedule 2

Individual Property Management Plan

The information contained in this section must be completed and submitted to Shoalhaven City Council for each property which the PLM proposes to irrigate as part of the Scheme before the Agreement is finalised.

2.1 Property Description

- (i) DP and lot number
- (ii) Property owner
- (iii) Person responsible for managing reclaimed water
- (iv) Property address to be irrigated

2.2 Map of irrigation area

- (i) A map of the proposed irrigation area must be attached by the PLM to this schedule. The map must show:
 - (a) the proposed irrigation area in relation to the whole property
 - (b) the point of connection to the REMS
 - (c) the existing town water connection to the property
 - (d) the location and size of the balance pond as agreed with SCC
 - (e) the location of existing public roads and residential dwellings within a 50m radius of the irrigation area
 - (f) the location of existing irrigation drains and natural water courses within 50m of the irrigation area
 - (g) the location of any groundwater monitoring bores (testwells).
- (ii) EM survey results:
 - (a) Irrigation area – the total area (ha) within each EM31 survey class shown on the map must be indicated below:

	Class 1	Class 2	Class 3
Area of land			

2.3 Property Reclaimed Water Allocation

(i) Annual Property Reclaimed Water Allocation

Re-use Activity	Allocation
Irrigation	XX /Ha
Wash Down	XX L/Day

2.4 PLM re-use start up date

The PLM undertakes to install all reclaimed water use infrastructure required to utilise their allocation in paragraph 2.3 of this Schedule 2 within 8 weeks of REMS commissioning being completed by SCC and this having been notified by SCC in writing to the PLM. SCC must notify the PLM in advance as to the estimated date for commissioning of REMS.

Attachment: Irrigation Area Map

Annexure
Environmental Management Plan

(refer clause 13)