

PROJECT AGREEMENT FOR WI-FI AND MOBILE COVERAGE ON TRAINS

An agreement between:

- n the **Commonwealth of Australia**; and
- n **New South Wales**.

The output of this project will be the establishment of continuous internet connectivity on station platforms and mobile coverage in trains and on station platforms for the train route between Hornsby and Wyong.

Project Agreement for Wi-Fi and Mobile Coverage on Trains

OVERVIEW

1. This Project Agreement (the Agreement) is created subject to the provisions of the Intergovernmental Agreement on Federal Financial Relations (IGA FFR) 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 IGA FFR.

Purpose

2. The output of this project will be the establishment of continuous internet connectivity on station platforms and mobile coverage (voice and data) in trains and on station platforms for the train route between Hornsby and Wyong.

Reporting Arrangements

3. New South Wales will report annually against the agreed milestones during the operation of this Agreement, as set out in Part 4 – Project Milestones, Reporting and Payments.

Financial Arrangements

4. The Commonwealth will provide an estimated total financial contribution to New South Wales of \$12 million, exclusive of GST, in respect of this Agreement, as set out in Part 5 – Financial Arrangements.

PART 1 – FORMALITIES

5. This Agreement constitutes the entire agreement for this project.

Parties to this Agreement

6. This Agreement is between the Commonwealth of Australia (the Commonwealth) and New South Wales.

Term of the Agreement

7. This Agreement will commence as soon as the Commonwealth and New South Wales sign it and will expire on 30 June 2020 or on completion of the project, including 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

8. The outputs of this Agreement will be:

- (a) continuous internet connectivity on station platforms and mobile coverage (voice and data) in trains and on station platforms for the train route between Hornsby and Wyong, delivered through:
 - i. 80-90 Wi-Fi access points¹ at train station platforms between Hornsby and Wyong;
 - ii. 16-26 new macro and mini-macro base stations, as well as up to 3 existing base station upgrades²; and
 - iii. 4-7 in-building mobile telephony coverage solutions² using distributed antenna systems (to provide solutions to the 7 tunnels) along the rail corridor between Sydney and the Central Coast.

PART 3 – ROLES AND RESPONSIBILITIES OF EACH PARTY

Role of the Commonwealth

- 9. The Commonwealth will be responsible for:
 - (a) monitoring and assessing achievement against milestones in the delivery of the Wi-Fi and mobile coverage in trains under this Agreement to ensure that outputs are delivered within the agreed timeframe;
 - (b) providing a consequent financial contribution to New South Wales to support the implementation of this Agreement;
 - (c) in accordance with the *Building and Construction Industry (Improving Productivity) Act 2016*, ensuring that financial contributions to a building project or projects as defined under the Fair Work (Building Industry – Accreditation Scheme) Regulations 2016 are only made where a builder or builders accredited by the Australian Government Building and Construction WHS Accreditation Scheme is contracted; and
 - (d) ensuring that compliance with the Code for the tendering and Performance of Building Work 2016 (Building Code 2016) is a condition of Australian Government funding.

Role of New South Wales

- 10. New South Wales will be responsible for:
 - (a) providing a financial contribution to support the implementation of this Agreement;
 - (b) all aspects of delivering on the project outputs set out in this Agreement;
 - (c) reporting on the delivery of outputs as set out in Part 4 – Project Milestones, Reporting and Payments;
 - (d) ensuring that only a builder or builders accredited under the Australian Government Building and Construction WHS Accreditation Scheme is contracted, and providing the necessary assurances to the Commonwealth; and
 - (e) ensuring that compliance with the Building Code 2016 is made a condition of tender for performance of building work by all contractors and subcontractors, and providing necessary assurances to the Commonwealth.

¹ The exact number of Wi-Fi access points on each train station will be agreed by the Commonwealth and New South Wales in accordance with clause 11 of this Agreement, depending on the layout and size of each location and the state Wi-Fi strategy being developed by New South Wales.

² The exact number of base stations, site upgrades and tunnel solutions will not be known until construction commences due to the variable nature of coverage patterns that can be achieved in hilly terrain, at which point they will be agreed by the Commonwealth and New South Wales in accordance with clause 11 of this Agreement.

Shared roles

11. The Commonwealth and New South Wales will be jointly responsible for agreeing:
 - (a) the exact number of Wi-Fi access points on each train station; and
 - (b) the exact number of base stations, site upgrades and tunnel solutions.
12. The Parties will meet the requirements of Schedule E, Clause 26 of the IGA FFR, 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

13. Table 1 summarises the milestones for the project, their relationship to the outputs, expected completion dates, relevant reporting dates and expected payments to be made. The Commonwealth will make payments subject to the performance reports demonstrating the relevant milestone has been met.

Table 1: Performance requirements, reporting and payment summary

Output	Performance milestones	Report due	Payment
In accordance with clause 8 of this Agreement	Project initiation and procurement of supporting infrastructure for construction	01/05/2018	\$2.00m
	Design development completion and identification and preparation of sites for construction Initial Stage completion of agreed number of new macro and mini-macro base stations and any site upgrades Achievement of station Wi-Fi connectivity with expected performance standards	01/05/2019	\$8.00m
	Final Stage completion of the agreed number of macro, mini and tunnel solutions Achievement of mobile connectivity on trains with expected performance standards	15/04/2020	\$2.00m

14. If a milestone is met in advance of the due date, where the relevant performance report demonstrates that the milestone has been met, the Commonwealth may make the associated payment earlier than scheduled provided it falls within the same financial year as the original milestone date.

Reporting arrangements

15. New South Wales will provide performance reports in accordance with Table 1 during the operation of the Agreement. Each performance report is to contain a description of actual performance in the period to date against the project milestones.

PART 5 – FINANCIAL ARRANGEMENTS

16. The Commonwealth will provide an estimated total financial contribution to New South Wales of \$12 million in respect of this Agreement. All payments are GST exclusive.
17. The Commonwealth's funding contribution will not be reduced where New South Wales secure funding from other activity partners.
18. The Commonwealth's and New South Wales' estimated financial contributions to the operation of this Agreement, including through National Partnership payments to the States paid in accordance with *Schedule D – Payment Arrangements* of the IGA FFR, are shown in Table 2.

Table 2: Estimated financial contributions

(\$ million)	2017-18	2018-19	2019-20	Total
Estimated total budget	2.0	10.0	4.0	16.0
Less estimated National Partnership Payments	2.0	8.0	2.0	12.0
Balance of non-Commonwealth contributions	0.0	2.0	2.0	4.0

19. Having regard to the agreed estimated costs of projects specified in this Agreement, New South Wales 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, New South Wales bear all risk should the costs of a project exceed the agreed estimated costs. The Parties acknowledge that this arrangement provides the maximum incentive for New South Wales to deliver the project cost effectively and efficiently.

PART 6 – GOVERNANCE ARRANGEMENTS

Enforceability of the Agreement

20. 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

21. The Agreement may be amended at any time by agreement in writing by both the Parties.
22. Either Party to the Agreement may terminate their participation in the Agreement at any time by notifying the other Party in writing.

Delegations

23. 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

24. Either Party may give notice to other Party of a dispute under this Agreement.
25. Officials of both Parties will attempt to resolve any dispute in the first instance.
26. If a dispute cannot be resolved by officials, it may be escalated to the relevant Ministers.

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

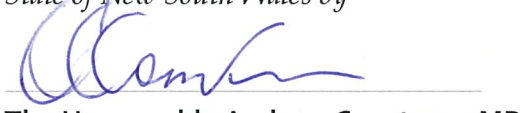
*Signed for and on behalf of the Commonwealth
of Australia by*



Senator The Honourable Mitch Fifield
Minister for Communications and the Arts

18 April 2018

*Signed for and on behalf of the
State of New South Wales by*



The Honourable Andrew Constance MP
Minister for Transport and Infrastructure

23 April 2018
May