

# **Accelerated Victoria Highway Upgrade Package**

**Memorandum of Understanding between  
the Commonwealth of Australia and the  
Northern Territory of Australia**

**Memorandum of Understanding (MOU)**  
**Between the Commonwealth of Australia and the Northern Territory**  
**of Australia in Respect of the Accelerated Victoria Highway Upgrade**  
**Package**

1. Upon signing this MOU, the Commonwealth of Australia ('the Australian Government') will pay \$30 million ('the Funding') to the Northern Territory of Australia (the Northern Territory) before 30 June 2006 to supplement the existing \$20 million in AusLink funding under the Bilateral Agreement for works on the Victoria Highway, bringing the total to \$50 million in Australian Government funding. The proposed works for the existing \$20 million and the additional works to be provided with the Funding are specified in Attachment A to this MOU. They will collectively form the Accelerated Victoria Highway Upgrade Package ('the Package').
2. The Australian Government will provide the Northern Territory with the Funding and the Northern Territory will implement the Package in accordance with:
  - (a) the *AusLink (National Land Transport) Act 2005* (Cth) (the Act);
  - (b) the Project Approval Instrument under subsections 9(1) and 17(1) of the Act;
  - (c) the parts of the *Notes on Administration for the Auslink Investment Programme* issued in March 2006 ('Notes on Administration'), as amended from time to time, specified in paragraph 3(f) below;
  - (d) the parts of the agreement between the Australian Government and the Northern Territory for the *Implementation of the AusLink National Land Transport Plan in the period 2004-2009* ('the Bilateral Agreement'), specified in paragraph 3(h) below; and
  - (e) this MOU.
3. **The following matters are agreed between the parties to this MOU:**
  - (a) The Northern Territory will use its best endeavours to complete the Package by 31 December 2009.
  - (b) Subject to paragraph 3(f) below, the Northern Territory will ensure that the Funding, and any interest earned on the Funding, is only expended on the indicative works set out in Attachment A.
  - (c) The Northern Territory will refine the indicative works program and provide a formal submission including estimates to the Department of Transport and Regional Services by 30 September 2006.
  - (d) The Northern Territory will hold the Funding in such a way as to enable the Funding, and any interest earned, to be separately identifiable.
  - (e) The Australian Government will not provide any further funding to The Northern Territory for completion of the Package and the Northern

Territory will bear any costs over \$30 million, including any interest earned, that may be required to complete the Package, apart from those included in the Bilateral Agreement, which specifies an amount of \$20 million.

- (f) After the Package is completed, the Funding and any interest earned that remains unspent may, subject to the Australian Government's agreement, be applied to other works on the AusLink National Network in the Northern Territory. In such a case, the Australian Government will issue a new project approval instrument or vary an existing project approval instrument under the Act.
  - (g) The Northern Territory will comply with the reporting requirements set out in Appendices B, D and E in the Notes on Administration. The Northern Territory will also provide monthly reports in the form set out in Appendix C, except that no payments will be made in respect of the Funding.
  - (h) In addition, the Northern Territory will provide statements of expenditure and details of the balance of funding at any time the Australian Government requests such statements.
  - (j) The following clauses of the Bilateral Agreement will apply to the Northern Territory in respect of the Package:
    - i. Clauses 24 and 25 which deal with eligible and ineligible costs (with the clarification that for the purposes of this MOU that land acquisition will be an eligible cost);
    - ii. Sub-Clause 29 (a) (provision of an expenditure budget by 28 February each year);
    - iii. Clause 44 which deal with the National Code of Practice for the Construction Industry and Implementation Guidelines;
    - iv. Clauses 46 to 53 and Schedule C which deal with recognition arrangements with the added requirement that a media events schedule will also be prepared for the Package, which will include a six-monthly joint public announcement on progress with the Package;
    - v. Clause 58 which deals with the Australian Government's right to participate in project planning and/or to review project delivery. (For the purposes of this MOU this could be the Package and/or works included in the Package.);
    - vi. Clause 74 which deals with evaluation; and
    - vii. Clause 85 which deals with notification and resolution of issues.
4. The Northern Territory will comply with all relevant Commonwealth and State legislation and statutory requirements, including environment and heritage legislation and local government planning approvals and the tender requirements regarding the Free Trade Agreement set out in the Bilateral Agreement.

5. In the event that the Northern Territory does not comply with the terms of this MOU the Australian Government:
  - (a) may seek to recover part or all of the funding; and/or
  - (b) take this into account when considering future land transport infrastructure funding for the States and Territories.
6. This MOU may be amended with the agreement of both parties. Any amendments must be in writing.



## Attachment A – Accelerated Victoria Highway Upgrade Package

The Accelerated Victoria Highway Package comprises the following works on the Victoria Highway:

ITEM	PROJECT DESCRIPTION
1	<p><b>Victoria River Floodplain Upgrade</b></p> <p>The project for the Victoria River floodplain includes four new bridges over: the Victoria River, Joe's Creek, Lost Creek and Sandy Creek together with 8.5 km of approach embankments and several sections of pavement lifting and strengthening between chainage 185 km to 220 km from Katherine. These works provide for lifting the road above the floodplain by approximately seven metres at the Victoria River and five metres at Sandy Creek..</p>
2	<p><b>Upgrade Big Horse and Little Horse Bridges.</b></p> <p>Construct new bridges at Big Horse and Little Horse Creek crossings to improve flood immunity caused by the Victoria River to Q20, together with appropriate lifting of the approaches to the bridges.</p>
3	<p><b>Strengthening and Widening</b></p> <p>Upgrading of selected strength deficient sections of the Victoria Highway which are vulnerable to failure during wet season rains, because of inundation or the need to apply weight restrictions during or after flood events.</p>