



CENTRAL DARLING SHIRE COUNCIL

MEDIA RELEASE

July 26, 2023

Contract terminated for Water Treatment Plants

Council would like to advise that the Contract to build water treatment plants at White Cliffs, Ivanhoe and Wilcannia has been terminated. It is disappointing because these are much-needed projects with NSW Government grant funding support.

In 2021 Council entered into a contract with Membrane Systems Australia (MSA). Following lengthy discussions and disagreements as to the nature and effect of the Contract, Council has elected to agree to terminate the Contract as the only alternative was costly and expensive legal proceedings in attempting to enforce Council's position. As a result, the Contract was terminated last month.

After discussion between the parties and their legal advisors, it was agreed to terminate the Contract with details to remain commercial in confidence.

Plant and partially assembled equipment purchased by MSA as part of the contractual arrangement prior to the termination was available for Council to collect. These items are now in Council possession.

The plant and equipment in Council's possession will greatly assist in continuation of Council's commitment to these projects. The priority now is the construction for the White Cliffs Project which is continuing.

It is unlikely that the grant funds available for the Wilcannia and Ivanhoe projects will be enough to deliver both new water treatment plants, however upgrades and refurbishments are being considered.

In June the Council Administrator and General Manager met with the NSW Water Minister to discuss additional funding for the Ivanhoe and Wilcannia projects. This was ruled out.

Council is working on a pathway forward for the delivery of the projects and will keep the community updated.

Ends

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