Media Release

GLADSTONE
REGIONAL COUNCIL

<14 MAY 2008> <FOR IMMEDIATE RELEASE>

"COUNCIL SEARCHES FOR ALTERNATIVE WATER SOLUTION IN AGNES WATER AND SEVENTEEN SEVENTY"

Gladstone Regional Council will have to find an alternative water supply and sewerage solution for Agnes Water and Seventeen Seventy after the Minister for Roads and Local Government, Warren Pitt denied the Council's request for a further $6 million in funding for the Agnes Water Integrated Water Supply Strategy yesterday.

The Minister's refusal of the request means that Council cannot satisfy the funding pre-condition of the contract signed by the former Miriam Vale Shire Council in January 2008.

Speaking after Tuesday's Council meeting, Mayor George Creed explained that officers were already hard at work trying to identify an alternative solution.

"Without the Government's additional funding, we simply don't have the money to proceed with the project on the scale agreed to by Miriam Vale Shire Council," he said.

"But we - and I mean the Government together with the Council - still have to find a water solution and meet sewerage requirements in both towns. It is pleasing to see that the Minister remains committed to working with us to find that solution."

"Doing nothing is not an option," Mayor Creed said.

"We were very impressed with the professionalism of the company contracted to do the work and we will be speaking with them about what can be done on a reduced scale and cost."

"At the end of the day, whatever solution we come up with has to be affordable for the consumers in the area and cannot rely on any cross-subsidy by ratepayers from other parts of our region," he said.

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FURTHER INFORMATION: CEO, Graeme Kanofski, 4970 0702