

# CENTRAL TABLELANDS *Water*



**Business Paper**

**Ordinary Meeting of Central Tablelands *Water***

**14<sup>th</sup> December 2016**

**Canowindra**





8<sup>th</sup> December 2016

## Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at The Old Vic Inn, Canowindra on Wednesday, 14<sup>th</sup> December 2016 at 10.30am. Morning tea will be served at 10.00am.

### Agenda

1. Public Forum
2. Apologies for non-attendance
3. Leaves of absence granted
4. Confirmation of Minutes - Ordinary Meeting held on 12.10.16
5. Chairman's Minute
6. Councillor Representation
7. Notices of Motion
8. Reports of Staff
9. Adjourn Meeting and proceed into Committee of the Whole
10. Resume Ordinary Meeting & Report of Committee of the Whole
11. Next Meeting – Grenfell – 8<sup>th</sup> February 2017

Yours faithfully

G. Rhodes  
**General Manager**



**INDEX OF REPORTS**  
**OF THE ORDINARY MEETING OF CENTRAL TABLELANDS WATER**  
**HELD ON WEDNESDAY 14 DECEMBER 2016**

**CORPORATE & FINANCIAL SERVICES REPORT**

01	FINANCIAL MATTERS (FM.BA.1)	1
02	INTENTUS - FINAL MANAGEMENT LETTER Y/E 30/06/2016 (CM.AU.1)	3
03	CODE OF CONDUCT COMPLAINTS STATISTICS (GO.PR.1)	12
04	COUNCILLOR EXPENSES AND FACILITIES POLICY (CM.PO.1)	16
05	CLOSING OF OFFICE OVER CHRISTMAS – NEW YEAR PERIOD (CM.ME.1)	17
06	GRENFELL PUBLIC SCHOOL – LETTER OF THANKS (CR.SD.1)	18
07	DEPARTMENT OF PRIMARY INDUSTRIES WATER - LACHLAN WATER RESOURCE PLAN (GR.LR.2)	20
08	WBC ALLIANCE - EXECUTIVE MANAGER'S REPORT (CM.AG.6)	29
09	CENTROC BOARD MEETING HELD 24 NOVEMBER 2016 (CM.CF.3)	36

**ENGINEERING & OPERATIONS SERVICES REPORTS**

10	REGIONAL WATER SECURITY PIPELINE PROJECT UPDATE (WS.AG.1)	51
11	TRUNK MAIN K RENEWAL (WS.AG.1)	53
12	MAINTENANCE OF COUNCILS SYSTEMS (WS.MO.4)	55
13	PERFORMANCE OF COUNCILS SYSTEMS (WS.MO.4)	57

**COMMITTEE REPORTS**

14	QUESTIONS ON NOTICE	60
15	WATER LEAKAGE – ACCOUNT 7092000004 (CR.EQ.1) WATER ACCOUNT - 41931000008 (CR.EQ.1)	61
16	PROCEED TO COMMITTEE OF THE WHOLE	62
17	REPORT OF THE COMMITTEE OF THE WHOLE	63



**01) FINANCIAL MATTERS (FM.BA.1)**

(Raelene Mulligan)

**RECOMMENDATION:**

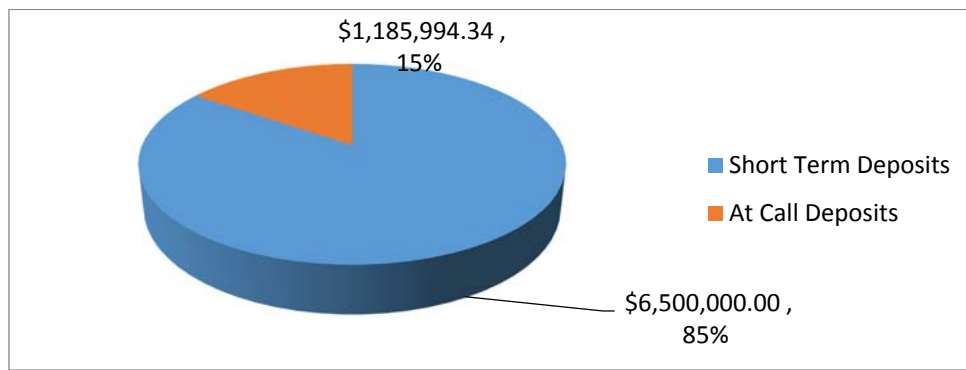
1. That the information be noted.

**REPORT****Cash and Investments**

The below investment summary represents Council's total investments as at 30<sup>th</sup> November 2016 in accordance with clause 212 of the Local Government (General) Regulation 2005.

		<b>Term (Days)</b>	<b>Rate</b>	<b>Maturity Date</b>	<b>% of Portfolio</b>
<b>Short Term Deposits</b>	<b>\$ 6,500,000.00</b>				<b>84.57%</b>
AMP - Curve Securities	500,000	181	3.00%	5/12/16	6.51%
RimSec – NAB	500,000	182	2.92%	13/12/16	6.51%
RimSec – AMP	500,000	90	2.75%	13/12/16	6.51%
NAB Term Deposit - NAB Orange	700,000	217	2.85%	30/01/17	9.11%
BOQ - Curve Securities	800,000	182	2.85%	23/01/17	10.41%
AMP - Curve Securities	500,000	181	2.85%	30/01/17	6.51%
Reliance Credit Union	500,000	180	2.80%	2/02/17	6.51%
Reliance Credit Union	500,000	180	2.80%	26/02/17	6.51%
AMP - Curve Securities	500,000	210	2.95%	7/03/17	6.51%
Reliance Credit Union	500,000	180	2.95%	12/03/17	6.51%
BOQ - Curve Securities	500,000	182	2.70%	24/04/17	6.51%
AMP - Curve Securities	500,000	182	2.70%	22/05/17	6.51%
<b>At Call Deposits</b>	<b>\$ 1,185,994.34</b>				<b>15.43%</b>
Commonwealth Bank Cheque Account	\$ 172,212.99	At Call	1.85%	N/A	
Commonwealth Bank - BOS Accounts	\$ 1,013,756.04	At Call	1.90%	N/A	
Reliance Credit Union - Cheque Account	\$ 25.31	At Call	2.00%	N/A	
<b>Total Value of Investment Funds</b>	<b>\$ 7,685,994.34</b>				<b>100%</b>

**Cash and Investments By Type**



**Bank Reconciliation as at 30<sup>th</sup> November 2016**

**BANK RECONCILIATION**

Balance as per Bank Statement	\$	1,185,994.34
Less: Bpay receipted into incorrect month	-\$	11,312.89
Add: Outstanding Deposit	\$	<u>1,837.78</u>
Balance as per Cash Book	\$	<u><u>1,176,519.23</u></u>

**GENERAL FUND**

(a) Cash Book Balance	\$	1,185,994.34
(b) Bank Balance	\$	1,185,994.34

The above investments have been secured in accordance with the Act, regulations and Council’s Investment Policy.

Raelene Mulligan  
 Director Finance & Corporate Services

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil



**02) INTENTUS - FINAL MANAGEMENT LETTER Y/E 30/06/2016 (CM.AU.1)**

(Raelene Mulligan)

**RECOMMENDATION:**

1. That the information be noted.

**REPORT**

Following completion of the annual financial statements audit for the year ended 30 June 2016, Council's auditors Intentus have issued their final management letter to the General Manager.

The auditors state in the letter that, *"Generally, our audit confirmed that the financial management, procedures and systems have been controlled effectively in a manner relevant to Council's structure and resources. There is one matter raised during the conduct of our audit which we feel necessary to bring to your attention at this time."*

The matter raised by the auditors has been addressed by Senior Management.

A copy of the auditor's final management letter is attached for information.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 Final Management Letter 2015-2016 8 Pages



Thorough, Attentive, Earnest

29 November 2016

The General Manager  
Central Tablelands Water  
PO Box 61  
BLAYNEY NSW 2799



Dear Gavin

**RE: FINAL MANAGEMENT LETTER - YEAR ENDED 30 JUNE 2016**

As part of our statutory audit for the year ending 30 June 2016 we advise having completed our final visit to the Council and the audit of Council's annual financial statements.

***Scope of Audit***

The purpose of our audit is to form an opinion on the financial statements of the Council and our audit procedures have been primarily designed to achieve this purpose.

In order to meet this objective in a cost-effective and efficient manner, our approach will concentrate on areas of materiality and high risk. Consequently, this letter does not necessarily confirm the effectiveness of all internal controls operated by the Council for achieving all management objectives.

In seeking to achieve an efficient audit we have also taken into account, to the relevant extent, the internal control structure, consisting of:

- a) the control environment, incorporating management's policies and procedures;
- b) the information system, incorporating the financial reporting process used to prepare the Council's financial statements; and
- c) internal controls, being those policies and procedures which management has established to provide reasonable assurance that specific organisation objectives will be achieved.

***Work Completed in Current Review***

The work completed during our final visit for the year ending 30 June 2016 concentrated on the audit of the annual financial statements of the Council. This means that the scope of the work undertaken by us necessarily centres around the actual results presented in the financial statements for the year, rather than the transactional processes involved in producing those results. These transactional processes comprise the focus of our interim reviews.



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Liability limited by a scheme approved under Professional Standards Legislation

**Comments and Observations**

Generally, our audit confirmed that the financial management procedures and systems have been controlled effectively and in a manner relevant to the Council's structure and resources.

There is one matter raised during the conduct of our audit which we feel necessary to bring to your attention at this time. This matter is detailed in the attached Audit Memorandum.

**Other matters**

The commencement of the Pipeline project from Orange to Blayney and Carcoar under the Restart NSW Funding Deed for the propose construction of a large diameter water main from Orange to Blayney and Carcoar in the current year may result in impairment of certain water network assets owned by Council. At the current stage, Council is not in a position to identify part of the water network that will be affected or whether provision of impairment is needed. We will review the progress of this project and Council's intention and plan going forward in our next interim visit.

**Acknowledgement**

We would like to take this opportunity to extend our thanks to the staff of the Council for their assistance during our visit.

Should you require any further assistance in any matter please do not hesitate to contact me.

Yours faithfully  
**intentus**

Per:

  
**John O'Malley**  
Director

**ASSESSING THE IMPACT OF RISKS IDENTIFIED**

**(RISK MATRIX)**

When identifying a weakness in control processes we have assigned a risk rating by considering the likelihood and consequence of each risk using the following tables and matrix:

**Likelihood of Risk Occurring**

Classification	Assessment	Likelihood
Likely	High	High – risk will occur in most circumstances or occurs regularly.
Possible	Medium	Medium – risk has occurred a number of times or is likely to be repeated from time to time.
Unlikely	Low	Low – risk has occurred on an isolated occasion, or risk has not yet occurred, but could occur over time.

**Consequence of Risk Occurring**

Classification	Assessment	Example of Consequence
Major	High	Would produce a threat to the survival or effective performance of the entity. Regulatory breaches and fraud risks are included in this category.
Medium	Medium	Functions of the entity could be subject to significant review or changes to operations and/or key internal controls are not operating effectively.
Minor	Low	A threat to the efficiency or effectiveness of some aspects of operations, but at a level that can be dealt with internally.

When the likelihood and consequence of a risk is combined, a risk rating can be determined using the following matrix.

		Likelihood		
		1. Unlikely	2. Possible	3. Likely
Consequence		Low	Medium	High
	3. Major	High	Medium	High
2. Medium	Medium	Low	Medium	High
1. Minor	Low	Low	Low	Medium

**Status of Issue Resolution**

For matters identified in previous visits, we have used the following categories to classify our observations on the completion status of issues.

Status	Example of Consequence
<b>UNRESOLVED</b>	No action has been taken to address the issue identified, or action taken has not proved effective.
<b>ONGOING</b>	Management actions have been taken to address the issue identified, but have not been demonstrated to be fully effective.
<b>COMPLETED</b>	Management have asserted that the issue has been resolved. Upon our next cycle of visits, we will test the action taken and whether it has proved effective.
<b>RESOLVED</b>	Management actions have been reviewed and we have confirmed their appropriateness to address the issue raised.

**AUDIT MEMORANDUM  
CENTRAL TABLELANDS WATER  
AUDIT FOR THE YEAR ENDED  
30 JUNE 2016**

**REVIEW OF MATTER PREVIOUSLY REPORTED**

Our previous final management letter dated 12 November 2015 reported that:

	<b>Issue (raised in prior audit)</b>	<b>Risk Weighting</b>	<b>Findings (from current audit)</b>	<b>Resolution</b>
1.	It was noted that Council maintains ledger account number 550009 which includes all costs incurred in relation to the installation, replacement and general maintenance of water meters. At the end of each period, the balance of this account is capitalised as part of the cost of reticulation mains. There are no assets disposed off in this process.	MEDIUM	This matter remains ongoing - refer to item 1 of the attached memorandum	ONGOING

**AUDIT MEMORANDUM  
CENTRAL TABLELANDS WATER  
AUDIT FOR THE YEAR ENDED  
30 JUNE 2016**

**CURRENT MATTERS**

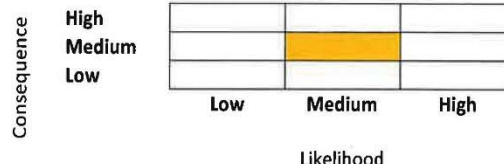
**1. FIXED ASSETS – TRUNKS AND RETICULATION MAINS**

**Risk Weighting: Medium**

*Justification:*

Consequence – MEDIUM

Likelihood – MEDIUM



**Time frame for resolution: As soon as possible**

**Observation**

During the course of our audit, we noted that the fixed asset register (BIZASSET) did not reconcile to the written down value in the general ledger for trunk and reticulation mains.

Category	Written Down Value 30/06/15			Written Down Value 30/06/16		
	Fixed asset schedule (GL) \$'000	BIZASSET report \$'000	Variance \$'000	Fixed asset schedule (GL) \$'000	BIZASSET report \$'000	Variance \$'000
<b>Trunk Mains</b>	\$16,760	\$15,472	\$1,288	\$16,498	\$14,827	\$1,671
<b>Reticulation Mains</b>	\$13,722	\$12,598	\$1,124	\$13,676	\$12,554	\$1,122

The variances noted are due to a number of reasons, including:

- a) When mains are added to the water network, the costs (material and labour) incurred are taken up in the general ledger however only the cost of material used is taken up in BIZASSET or a standard unit rate is applied. Hence the amount taken up as addition in the general ledger is normally higher than the amount included in BIZASSET.
- b) Depreciation charges used in the general ledger are based on the depreciation charges calculated from BIZASSET hence these amount may be understated due to certain costs not included in BIZASSET.
- c) Disposal of any mains in the general ledger is based on the value recorded in BIZASSET hence amount disposed may be understated.
- d) Changes made in the BIZASSET parameter may not be reflected accordingly in the general ledger for example changes in the length of a main to reflect actual changes found by Council will change the cost and written down value in BIZASSET but not in the general ledger.
- e) When individual water meters are replaced as necessary, the cost of materials and labour incurred are capitalised in the general ledger (Account # 550009 - Reticulation Mains). These costs have not been taken up in the BIZASSET report. Council have capitalised the cost of replacing water meters in the general ledger since the last revaluation exercise. Although Council discontinued this practice in the current year consistent with the recommendation included in our final management letter dated 12 November 2015, previous differences have not been adjusted.

**Implications**

If the fixed asset register (BIZASSET) does not agree to the asset accounts there is no accurate record of assets and their written down values.

This gives rise to the possibility that both the asset cost and accumulated depreciation accounts in the general ledger are incorrect.

In addition, Council may be incorrectly calculating and recording depreciation expense.

**Recommendations**

We recommend the following;

- a) That the fixed asset register (BIZASSET) be reviewed in detail particularly in the next financial year when full revaluation of water network is to be carried out to ensure the accuracy of the information it currently contains. As a result of this review, adjusting entries should be processed to the general ledger accounts, as necessary.
- b) That upon the completion of the reconciliation of the fixed asset register (BIZASSET) and the balance in the general ledger, Council should maintain a monthly reconciliation of the two reports. Any differences noted between them should be investigated and amended accordingly.

**Management Comments**

Management notes the auditor's comments, and concur with the findings. A full review of the fixed asset register will be undertaken as part of the revaluation of the water supply network.

Once the fixed asset register and general ledger are in balance, a monthly reconciliation will be undertaken with any differences investigated and rectified.



**2. FIXED RATE LOAN****Risk Weighting: Not Applicable****Time frame for resolution: Before 30 June 2017*****Observation***

Council holds a fixed term, fixed interest loan facility with the NAB. At 30 June, the balance of this facility was \$2.75 Million. The borrowing was for major construction work and for a long time (nearly fifteen years) it was at an attractive interest rate (6.589%) and provided certainty of repayments.

With interest rates having fallen to record lows, the loan, which still has six years until maturity, is now at a rate that shows a significant premium to prevailing market rates.

***Implications***

The interest premium being paid may represent a sizeable amount over the remaining term.

***Recommendations***

**We recommend** that CTW consider making enquiries and conducting analysis to determine whether there would be an economic advantage in breaking the existing facility and re-financing the remaining debt, recognising that it is likely that the NAB may charge an “economic cost” penalty for terminating the facility early.

***Management Comments***

Management will investigate whether there is any economic advantage in breaking the existing loan facility, and re-financing the debt.

**03) CODE OF CONDUCT COMPLAINTS STATISTICS (GO.PR.1)**

(Raelene Mulligan)

**RECOMMENDATION:**

1. That the Code of Conduct Statistics 2016 Report be received and noted.

**REPORT**

Following the introduction of the Office of Local Government's Model Code of Conduct on 1 March 2013, Complaints Coordinators must report on a range of complaints statistics to council and to the Office within three months at the end of September each year.

Council's Code of Conduct Statistics 2016 Report is attached for notation.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 Complaints Statistics Report 2016 3 Pages

Model Code of Conduct Complaints Statistics Central Tablelands County Council		
Number of Complaints		
1	a The total number of complaints <b>received</b> in the period about councillors and the General Manager (GM) under the code of conduct	0
	b The total number of complaints <b>finalised</b> in the period about councillors and the GM under the code of conduct	0
Overview of Complaints and Cost		
2	a The number of complaints <b>finalised at the outset</b> by alternative means by the GM or Mayor	0
	b The number of complaints <b>referred to the Office of Local Government</b> under a special complaints management arrangement	0
	c The number of code of conduct complaints <b>referred to a conduct reviewer</b>	0
	d The number of code of conduct complaints <b>finalised at preliminary assessment</b> by conduct reviewer	0
	e The number of code of conduct complaints <b>referred back to GM or Mayor</b> for resolution after preliminary assessment by conduct reviewer	0
	f The number of finalised code of conduct complaints <b>investigated by a conduct reviewer</b>	0
	g The number of finalised code of conduct complaints <b>investigated by a conduct review committee</b>	0
	h The number of finalised complaints investigated where there was found to be <b>no breach</b>	0
	i The number of finalised complaints investigated where there was found to be <b>a breach</b>	0
	j The number of complaints referred by the GM or Mayor <b>to another agency</b> or body such as the ICAC, the NSW Ombudsman, the Office or the Police	0
	k The number of complaints being investigated that are <b>not yet finalised</b>	0
	l The <b>total cost</b> of dealing with code of conduct complaints within the period made about councillors and the GM including staff costs	0

Preliminary Assessment Statistics	
3	The number of complaints determined by the conduct reviewer at the preliminary assessment stage by each of the following actions:
a	To take no action <input type="text" value="0"/>
b	To resolve the complaint by alternative and appropriate strategies <input type="text" value="0"/>
c	To refer the matter back to the GM or the Mayor, for resolution by alternative and appropriate strategies <input type="text" value="0"/>
d	To refer the matter to another agency or body such as the ICAC, the NSW Ombudsman, the Office or the Police <input type="text" value="0"/>
e	To investigate the matter <input type="text" value="0"/>
f	To recommend that the complaints coordinator convene a conduct review committee to investigate the matter <input type="text" value="0"/>
Investigation Statistics	
4	The number of investigated complaints resulting in a determination that there was <b>no breach</b> , in which the following recommendations were made:
a	That the council revise its policies or procedures <input type="text" value="0"/>
b	That a person or persons undertake training or other education <input type="text" value="0"/>
5	The number of investigated complaints resulting in a determination that there <b>was a breach</b> in which the following recommendations were made:
a	That the council revise any of its policies or procedures <input type="text" value="0"/>
b	That the subject person undertake any training or other education relevant to the conduct giving rise to the breach <input type="text" value="0"/>
c	That the subject person be counselled for their conduct <input type="text" value="0"/>
d	That the subject person apologise to any person or organisation affected by the breach <input type="text" value="0"/>
e	That findings of inappropriate conduct be made public <input type="text" value="0"/>
f	In the case of a breach by the GM, that action be taken under the GM's contract for the breach <input type="text" value="0"/>
g	In the case of a breach by a councillor, that the councillor be formally censured for the breach under section 440G of the Local Government Act 1993 <input type="text" value="0"/>
h	In the case of a breach by a councillor, that the matter be referred to the Office for further action <input type="text" value="0"/>
6	Matter referred or resolved after commencement of an investigation under clause 8.20 of the Procedures <input type="text" value="0"/>

Categories of misconduct	
7 The number of investigated complaints resulting in a determination that there was a breach with respect to each of the following categories of conduct:	
a General conduct (Part 3)	<input type="text" value="0"/>
b Conflict of interest (Part 4)	<input type="text" value="0"/>
c Personal benefit (Part 5)	<input type="text" value="0"/>
d Relationship between council officials (Part 6)	<input type="text" value="0"/>
e Access to information and resources (Part 7)	<input type="text" value="0"/>
Outcome of determinations	
8 The number of investigated complaints resulting in a determination that there was a breach in which the council failed to adopt the conduct reviewers recommendation	<input type="text" value="0"/>
9 The number of investigated complaints resulting in a determination that there was a breach in which the council's decision was overturned following a review by the Office	<input type="text" value="0"/>

**04) COUNCILLOR EXPENSES AND FACILITIES POLICY (CM.PO.1)**

(Gavin Rhodes)

**RECOMMENDATION:**

1. That, following the statutory period of public display, Council adopt the draft Councillor Expenses and Facilities Policies as endorsed at the October 2016 Council meeting.

**REPORT**

Following a report from the General Manager to the October 2016 meeting of Council and in accordance with Sec. 252 of the LG Act 1993, Council resolved to:

*“Endorse the draft Councillor Expenses and Facilities Policies as presented in the General Manager’s Report and place them on public display for a period of 28 days with a view to adoption at the December 2016 meeting of Council.”*

In accordance with the above resolution, the draft Councillor Expenses and Facilities Policies was placed on public exhibition for the statutory period of 28 days and Council can now proceed to adopt the draft Councillor Expenses and Facilities Policies.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**05) CLOSING OF OFFICE OVER CHRISTMAS - NEW YEAR PERIOD (CM.ME.1)**

(Gavin Rhodes)

**RECOMMENDATION:**

1. That Council note the report.

**REPORT**

Council has resolved in past years to close the office during the Christmas-New Year period. This closure normally involves three working days and the administration staff have been granted leave for this period in lieu of overtime worked during the previous 12 months.

Under this arrangement, the office will close this year at 12pm on 23 December 2016 and re-open on 3 January 2017. The General Manager has approved this request as it was resolved at the December 2013 Council Meeting that *'Reoccurring events be left to the discretion of the General Manager.'*

As has been the practice in previous years, operational staff work as normal and are rostered on-call over the public holidays to attend to any emergency. Emergency numbers for all locations will be advertised in the local press, on Council's website and on the front door of Council's office during the month of December and until the office re-opens on 3 January 2017.

Closing the office has not caused any problems in previous years and there does not appear to be any reason not to continue this practice. The General Manager has confirmed that the offices at Blayney Shire Council will also be closed for the Christmas close down period.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**06) GRENFELL PUBLIC SCHOOL – LETTER OF THANKS (CR.SD.1)**

(Gavin Rhodes)

**RECOMMENDATION:**

1. That Council note the report.

**REPORT**

The General Manager received a letter from Grenfell Public School on 1 December 2016, thanking Central Tablelands Water for making a donation towards their 2016 School Presentation Awards.

A copy of the letter from Grenfell Public School is attached to this report.

**BUDGET IMPLICATIONS**

Nil

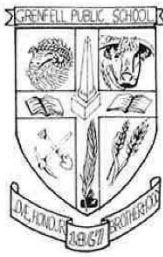
**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 Grenfell Public School Letter 1 Page





## Grenfell Public School

*"Achievement for All in a Happy, Safe & Caring Environment"*

Principal: Mr Andrew Hooper  
Melyra Street, Grenfell 2810  
Telephone: (02) 6343 2122  
Facsimile: (02) 6343 1480  
Email: [andrew.hooper@det.nsw.edu.au](mailto:andrew.hooper@det.nsw.edu.au)

22<sup>nd</sup> November 2016

The Manager  
Central Tablelands Water  
PO Box 61  
BLAYNEY NSW 2810



X Ref 0001232  
Refer to Council Meeting  
December 2016.


Dear Sir/Madam

On behalf of the school community of Grenfell Public School we would like to thank you for your generous donation towards our 2016 School Presentation Awards.

Due to the ongoing support of businesses like yours, we will be able to present perpetual trophies, as well as medals for recipients to keep, for excellence in all Key Learning Areas, for Citizenship and for Sporting Excellence.

Once again, may I take this opportunity to thank you for your donation.

Yours sincerely



Andrew Hooper  
Principal

**07) DEPARTMENT OF PRIMARY INDUSTRIES WATER - LACHLAN WATER RESOURCE PLAN (GR.LR.2)**

(Gavin Rhodes)

**RECOMMENDATION:**

That Council;

1. Note the report; and
2. Endorse the General Manager in consultation with Senior Management to review the Lachlan Status and Issues Paper and provide a submission to DPI Water as necessary.

**REPORT**

The Department of Primary Industries Water (DPI Water) have recently announced that between 2016 and 2019, 22 water resource plans will be developed for surface and groundwater regions in the NSW Murray-Darling Basin. The plans will operate for a period of 10 years and will include information from other Basin Plan projects.

DPI Water have notified Council that the Lachlan surface water resource planning process has begun. DPI Water has invited stakeholders to have their say on the issues that will be considered during an 18 month planning process.

DPI Water have provided the following information regarding the water resource planning process:

*“Water resource plans are an important part of delivering the objectives of the Basin Plan – balancing economic, social and environmental demands on the Basin’s water resources. The Lachlan Water Resource Plan (surface water) will include existing water sharing arrangements and information from other Basin Plan projects in the region.*

*A Status and Issues Paper has been prepared as a starting point for the Lachlan water resource planning process. It defines the status of Lachlan surface water resources and lists existing surface water issues that will be considered in the water resource planning process. The Lachlan Status and Issues Paper and supporting materials are available on the DPI Water website [www.water.nsw.gov.au](http://www.water.nsw.gov.au)”*

Council has been invited to make a submission on the *Lachlan Status and Issues Paper*. The closing date for submissions is 11 January 2017. The General Manager in consultation with senior management, will review the *Status and Issues Paper* and provide a submission as necessary. All councillors are encouraged to provide comments on the *Lachlan Status and Issues Paper* to the General Manager for inclusion in the submission.

A copy of the invitation and associated fact sheets for the water resource planning process are provided as attachments to this report. A copy of the *Lachlan Status and Issues Paper* has also been provided with the business paper.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- |   |  |         |
|---|--|---------|
| 1 | DPI Water submission invitation letter | 1 Page  |
| 2 | Water resource planning fact sheets    | 6 Pages |



Gavin Rhodes  
Central Tablelands Water (CT County Council)  
PO BOX 61  
Blayney NSW 2799



Dear Gavin Rhodes

**Lachlan Water Resource Plan – submissions invited**

I am writing to advise you that the Lachlan surface water resource planning process has begun. DPI Water is inviting stakeholders to have their say on the issues that will be considered during the 18 month planning process.

Stakeholder input is an integral part of water resource planning. During the planning process, if consultation and technical studies show opportunities for better outcomes, existing water sharing rules may be refined.

Water resource plans are an important part of delivering the objectives of the Basin Plan – balancing economic, social and environmental demands on the Basin's water resources. The *Lachlan Water Resource Plan (surface water)* will include existing water sharing arrangements and information from other Basin Plan projects in the region. Two factsheets that explain the process in detail are enclosed.

A *Status and Issues Paper* has been prepared as a starting point for the Lachlan water resource planning process. It defines the status of Lachlan surface water resources and lists existing surface water issues that will be considered in the water resource planning process. The *Lachlan Status and Issues Paper* and supporting materials are available on the DPI Water website [www.water.nsw.gov.au](http://www.water.nsw.gov.au)

**I encourage you to read the *Status and Issues Paper* and to share your comments by making a submission. Your input will help shape the water resource planning process to ensure that local issues and concerns are addressed.**

The public comment period is open until Wednesday 11 January 2017. Written submissions must be received by this date and can be made via:

- [lachlan.sw.wrp@dpi.nsw.gov.au](mailto:lachlan.sw.wrp@dpi.nsw.gov.au)
- Locked Bag 5123 Parramatta NSW 2124

To discuss the *Status and Issues Paper* or the water resource planning process and be referred to a planner, please call (02) 6024 8862.

Yours sincerely

A handwritten signature in black ink that reads 'Nicky Smith'.

Nicky Smith

Acting Team Leader – Rural Water Planning (South)

Wednesday 23 November 2016



Department of  
Primary Industries



## WATER RESOURCE PLANS

# Developing a water resource plan

### Background

Water resource plans are a key requirement of the Commonwealth Basin Plan 2012.

Between 2016-19, 22 water resource plans will be developed for surface and groundwater regions in the NSW Murray-Darling Basin. The plans will operate for 10 years and will include information from other Basin Plan projects. The complexity of plans will vary depending on the number of water resources in the region and their level of development, as well as the number of environmental assets included.

Water resource plans will include the water sharing arrangements that already exist across the NSW Basin area. In some regions, water sharing rules will be refined as consultation and technical studies show opportunities for better outcomes.

Maps showing the 22 regions to be covered by water resource plans in NSW can be obtained from the Murray-Darling Basin Authority website

<http://www.mdba.gov.au/publications/maps-spatial-data#wrpa-surfacewater>

### Information included in water resource plans

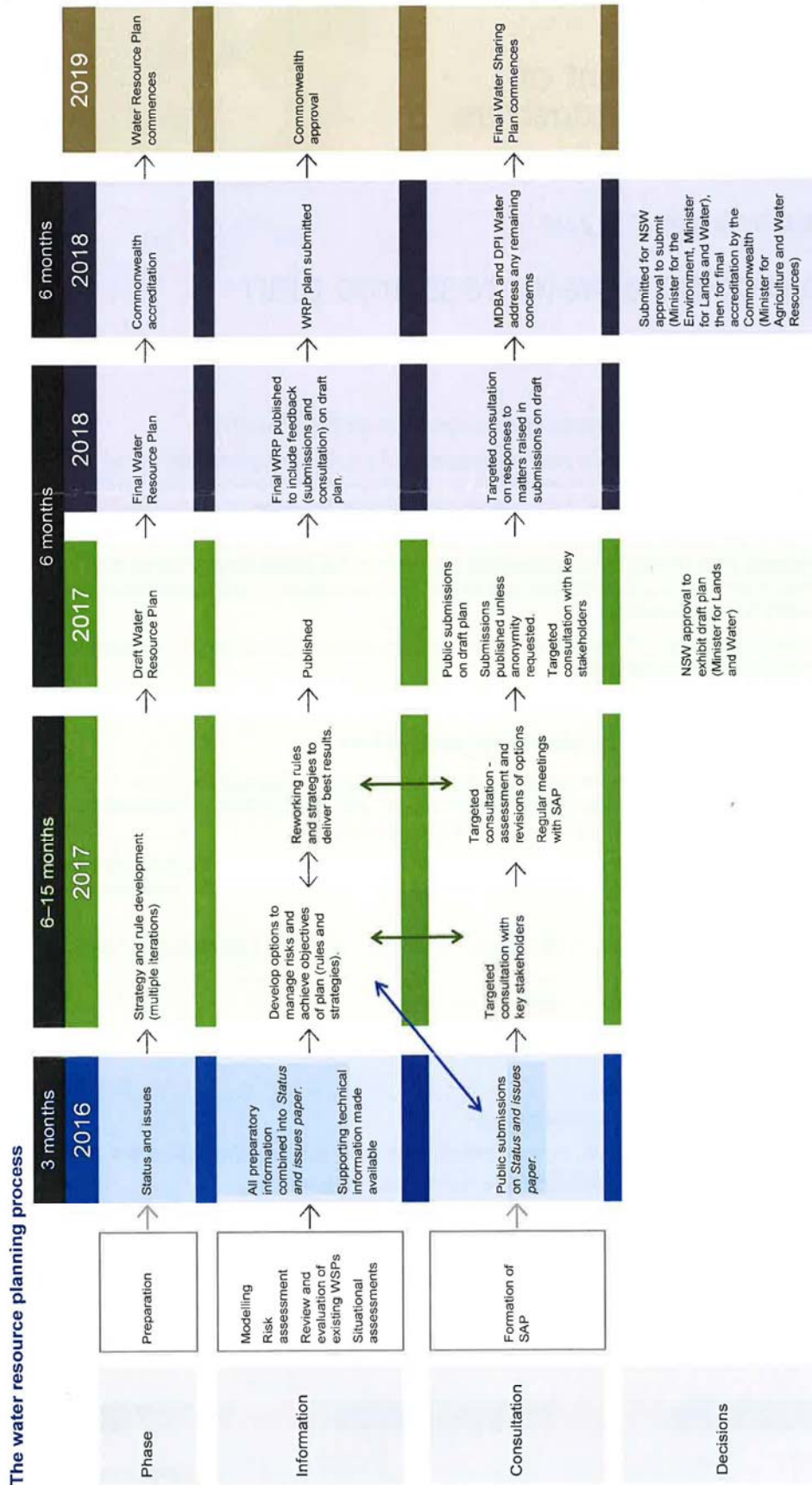
Water resource plans will include water sharing plans, a water quality management plan, a risk assessment and other supporting documents. In some regions, water sharing plans will be adjusted as consultation or technical studies have shown areas for improvement.

Water sharing plans made under the *NSW Water Management Act 2000* will remain the mechanism for articulating water sharing in NSW. Water sharing plans will be a key component of each water resource plan.

To meet the minimum requirements of the *Commonwealth Water Act 2007* and the Basin Plan, NSW water resource plans must:

- Describe all rights and licences to water in the plan area.
- Demonstrate how compliance with the sustainable diversion limit (SDL) will be measured and maintained.
- Describe interception activities.
- Describe rules for planned environmental water.
- Describe Aboriginal water values, uses and explore opportunities to support those values and uses.
- Describe water quality objectives and explore opportunities to improve.
- Describe rules for trading water access rights.
- Explain how essential human needs will be met in extreme events.
- Assess and manage present and future risks to water resources.

[www.dpi.nsw.gov.au](http://www.dpi.nsw.gov.au)



## Consultation and decision making

During the water resource planning process, DPI Water will consult with stakeholders to make sure that their input on issues, and the options they suggest for better water resource management, are considered. DPI Water will work directly with licence holders, user and industry groups, local government, environment groups, Aboriginal communities and other stakeholders.

DPI Water will make information about the 18-month water resource planning process publicly available, as well as inviting public submissions on two key documents (see below).

If a plan requires adjustments to water sharing rules, DPI Water planners will run targeted consultation sessions with affected stakeholders.

Each surface water resource plan will include input from a specially convened Stakeholder Advisory Panel (SAP). They will provide early input on issues and options concerning regulated rivers and the Barwon Darling. SAP members will include local licence holder representatives, environment representatives and various NSW government agency representatives.

## Have your say

Stakeholder input is an integral part of the development of each water resource plan. As part of the consultation process, stakeholders will be able to make written submissions on their region's *Status and Issues Paper* and the draft *Water Resource Plan*.

At the start of the planning process, the *Status and Issues Paper* (a compilation of existing issues) will be displayed for public comment for 40 days. Later in the planning process, the draft *Water Resource Plan* will also be on public exhibition for 40 days.

Submission periods for both documents will be advertised in *The Land*, local papers and on the DPI Water website [www.water.nsw.gov.au](http://www.water.nsw.gov.au)

The documents, supporting material and details on how to make submissions will be available on the DPI Water [www.water.nsw.gov.au](http://www.water.nsw.gov.au)

Stakeholders may submit feedback via email or post.

DPI Water will acknowledge all submissions in writing.

## More information

(02) 6024 8862

[www.water.nsw.gov.au](http://www.water.nsw.gov.au)

## Acknowledgments



Australian Government  
Department of Agriculture  
and Water Resources

This project is funded by the Australian Government's Sustainable Rural Water Use and Infrastructure Program, as part of the implementation of the Murray-Darling Basin Plan in NSW.

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Disclaimer: The information contained in this publication is based on knowledge and understanding at the time of writing (October 2016). However, because of advances in knowledge, users are reminded of the need to ensure that information upon which they rely is up to date and to check currency of the information with the appropriate officer of the Department of Primary Industries or the user's independent adviser.

Published by the Department of Primary Industries.

JTN 14215



Department of  
Primary Industries



## WATER RESOURCE PLANS

# Overview

### Background

Water resource plans are a key requirement of the *Commonwealth Basin Plan 2012*.

Between 2016–19, 22 water resource plans will be developed for surface and groundwater regions in the NSW Murray-Darling Basin. The plans will operate for 10 years and will include information from other Basin Plan projects. The complexity of plans will vary depending on the number of water resources in the region and their level of development, as well as the number of environmental assets included.

Water resource plans will include the water sharing arrangements that already exist across the NSW Basin area. In some regions, water sharing rules will be refined as consultation and technical studies show opportunities for better outcomes.

Maps showing the 22 regions to be covered by water resource plans in NSW can be obtained from the Murray-Darling Basin Authority website - [www.mdba.gov.au/publications/maps-spatial-data#wrpa-surfacewater](http://www.mdba.gov.au/publications/maps-spatial-data#wrpa-surfacewater)

### Objectives

Water resource plans are an important part of delivering the objectives of the Basin Plan – balancing economic, social and environmental demands on the Basin's water resources.

Individual water resource plans will define economic, social and environmental objectives that are relevant to that region. This means that reviews of strategies and rules will always consider the needs of the region and water users.

Specific performance indicators will measure whether those objectives were delivered successfully.

### Guiding principles

Principles outlined in the Basin Plan, together with principles set by NSW, will guide the development of water resource plans.

Basin Plan principles state:

- There will be no adverse impacts on water available to a water access license holder.
- There will be no net reduction in the protection of planned environmental water.
- The Commonwealth is responsible for funding the gap between existing limits and Sustainable Diversion Limits (SDL) water.
- The water resource plan will meet the requirements set out in the Basin Plan.

Additionally, NSW requires that water resource plans:

1. Balance social, cultural, economic and environment needs of the community and catchments.
2. Are cost neutral for NSW license holders.
3. Minimize change for WSPs within their initial ten year period.

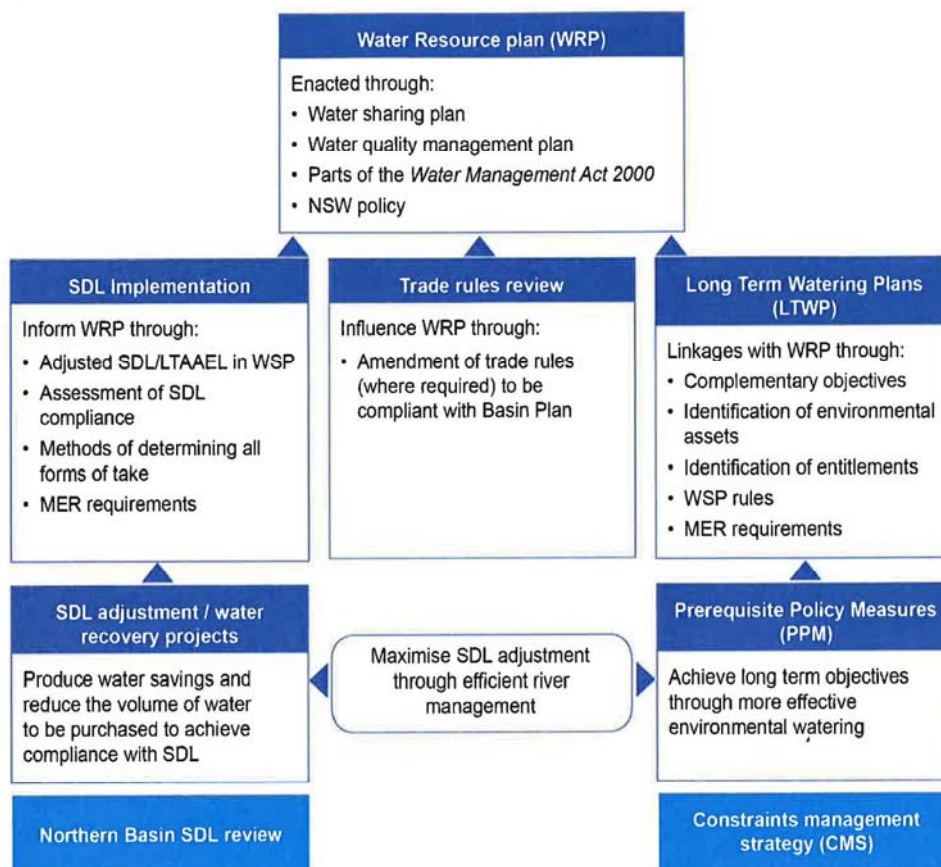
[www.dpi.nsw.gov.au](http://www.dpi.nsw.gov.au)



## Water resource plans and other water management plans

Information from a number of other Basin Plan projects will feed in to water resource plans.

Figure 1 How Basin Plan projects work together



## Consultation and decision making

During the water resource planning process, DPI Water will consult with stakeholders to make sure that their input on issues, and the options they suggest for better water resource management, are considered. DPI Water will work directly with licence holders, user and industry groups, local government, environment groups, Aboriginal communities and other stakeholders.

DPI Water will make information about the 18-month water resource planning process publicly available, as well as inviting public submissions on two key documents – the *Status and Issues Paper* (a compilation of existing issues for consideration) and the *Draft Water Resource Plan*.

If a draft plan requires adjustments to water sharing rules, DPI Water planners will run targeted consultation sessions with affected stakeholders.

Each surface water resource plan will include input from a specially convened Stakeholder Advisory Panel (SAP). They will provide early input on issues and options concerning regulated rivers and the Barwon Darling. SAP members will include local licence holder representatives, environment representatives and various NSW government agency representatives.

## Have your say

Stakeholder input is an integral part of the development of each water resource plan. As part of the consultation process, stakeholders will be able to make written submissions on their region's *Status and Issues Paper* and the draft *Water Resource Plan*.

At the start of the planning process, the *Status and Issues Paper* (a compilation of existing issues) will be displayed for public comment for 40 days. Later in the planning process, the draft *Water Resource Plan* will be on public exhibition for 40 days.

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Stakeholders may submit feedback via email or post.

DPI Water will acknowledge all submissions in writing.

## More information

(02) 6024 8862

[www.water.nsw.gov.au](http://www.water.nsw.gov.au)

## Acknowledgments



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Published by the Department of Primary Industries.

JTN 14215

**08) WBC Alliance - Executive Manager's Report (CM.AG.6)**

(Donna Galvin)

**RECOMMENDATION:**

1. That the December 2016 report and the 2016 WBC Annual Report be noted.

**REPORT**

WBC Executive Managers December 2016 report, and the 2016 Annual report are attached.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 WBC Alliance Report December 2016 2 Pages
- 2 WBC Annual Report 2016 4 Pages



### **WBC EXECUTIVE MANAGER'S REPORT –December 2016 Council meeting**

#### **Update of Policies and Procedures: (Central Tablelands Water)**

I currently finalising work with the Director Finances and Corporate Services to develop a Business Continuity Plan as well as identifying funding/grant opportunities.

#### **Blayney:**

I am finalising some work with the Risk Officer to complete a **new risk register**. I continue to work with the General Manager and others on merger preparation plans. I participated in the **Change Readiness** workshops recently with Orange, Blayney and Cabonne staff.

I have assisted with some interviews for positions at Blayney.

#### **Cabonne:**

Cabonne joined the industry **operational effectiveness survey** for the first time this year and I was asked to coordinate the response. This will provide Council with some valuable data on service levels comparable to other councils in NSW. This was completed through October/November.

I have provided **change readiness workshops** for staff and also Council and detailed information for the **Consultative Committee** to ensure they understand their role in a potential merger situation.

The Acting GM has asked me to facilitate and coordinate a project team to **oversee the actions from a risk and safety audit completed on the swimming pools**.

#### **Other:**

I have been a mentor in the LG Professionals Mentoring Program this year and had the privilege of attending their graduation ceremony in Sydney on 1 December (along with the GM Blayney, Director

Infrastructure Services Blayney and IT Manager Blayney) . The following day I attended the Hot Topics workshop held by LG Professionals.

In September I completed the **Leadership in Local Government** Unit of the Masters of Local Government from UTS. This was a wonderful opportunity as part of my ongoing professional development.

**2016 Annual Report:**

Attached to my report is the 2016 Annual Report for the WBC Alliance. It has been a year of change for the Alliance and despite the uncertain environment we have been in I'm pleased to advise that there has been \$463 310 of savings and efficiencies achieved for the member councils for the year. This takes the overall savings of the Alliance to \$6 797 259.

Depending on the future and the outcome of the merger decisions the General Managers and I will need to develop a new operational plan for the Alliance for 2017 in the event that a decision is further delayed or if the decision is not to merge.

**Christmas Wishes:**

As this is my last report for 2016 I would like to wish the Councillors and your families a safe and happy Christmas. I feel privileged to work for your Councils and I look forward to 2017 and whatever that may bring.





## 2016 ANNUAL REPORT

# WBC STRATEGIC ALLIANCE

*Representing the Councils of Blayney, Cabonne and Central Tablelands Water*



## Introduction

It is with pride that I present my 8<sup>th</sup> Annual Report for the WBC Strategic Alliance in my role as Executive Manager. Every year when it comes time to compile the Annual Report I re-read the 13 previous years reports and I am always reminded of the many great achievements that have been achieved for the member Councils – Blayney, Cabonne and Central Tablelands Water and for 12 of those years, Wellington Council.

It has been a year of change for the Alliance with Wellington Council withdrawing as a member in late 2015 with their impending merger with Dubbo City Council which eventuated in May 2016. Wellington had been a great contributor and supporter of the Alliance.

For the remaining member Councils, the operation of the Alliance has shifted slightly with my time being spent providing an internal consultancy service to the individual members based on their needs, with less joint projects or initiatives occurring this year. This reflects the year of uncertainty around potential mergers between Blayney, Cabonne and Orange.

Despite this we have had another successful year achieving \$463 310 in savings and efficiencies for the year taking the overall savings since the Alliance commenced operations in 2003 to \$6 797 259. The staff from all the councils continue to benefit from the connections they have with their colleagues in the other councils and the level of cooperation and collaboration – the most important ingredient to our success – remains high.

I would like to thank the General Managers – Rebecca Ryan- Blayney, Gavin Rhodes – CTW and Andrew Hopkins - Cabonne (who has now taken up the GM role at Uralla Council), and Stephen Harding (Acting GM – Cabonne) for their direction and leadership. I am fortunate in my role to work directly for the leadership teams of the councils and be involved in conversations and activities that improve the direction and service delivery of the councils. The Directors from each council have also been great supporters of the Alliance and my role.

In my report last year, I opened with the statement “may you live in interesting times”. I hope that there is an outcome soon on the future of the member councils and therefore the Alliance. Should the merger proceed the Alliance will be dissolved the day of proclamation. I look forward to what 2017 will bring, and hope that I have the opportunity to continue working for such a valuable industry such as local government

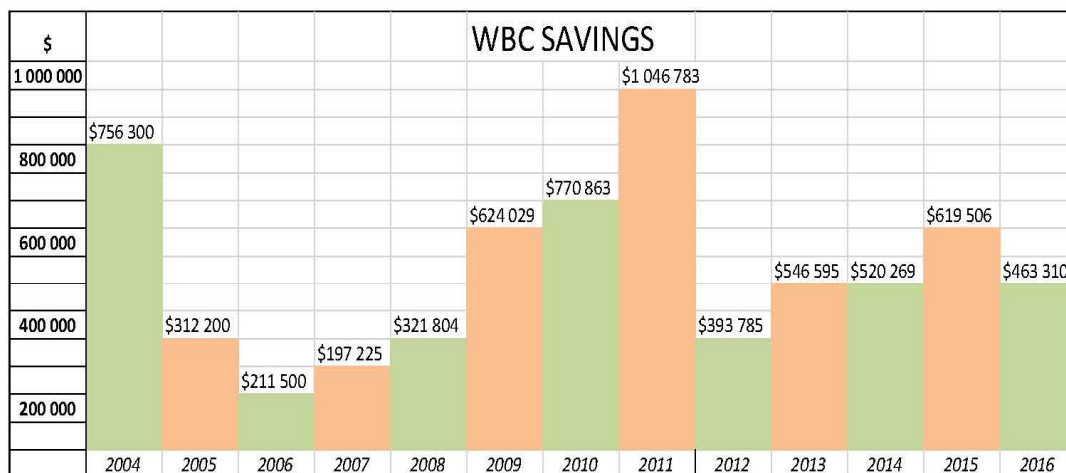
*Donna Galvin*

WBC Executive Manager

5<sup>th</sup> December 2016.

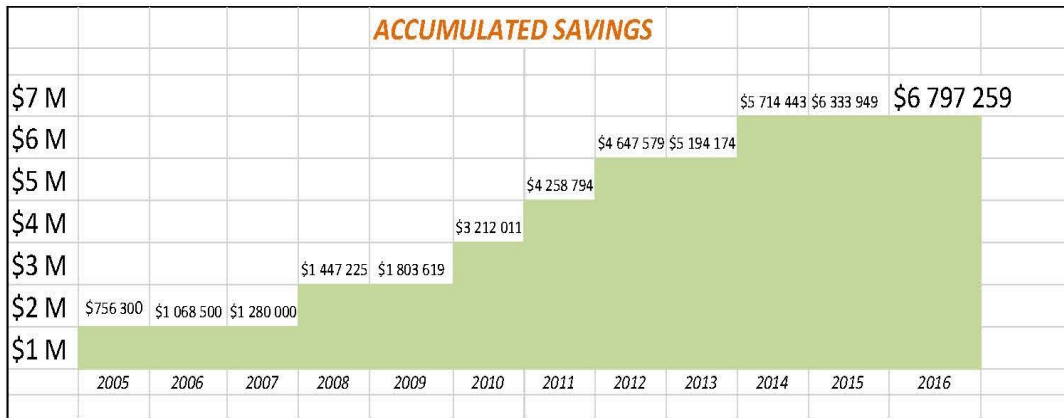
### Alliance Savings 2016

Description	\$	
Joint Engagement IAB for Internal Audit	12,727	Recurrent (based on original savings increased by 3.5% each year where the saving is still being achieved)
Joint payment Sharefile site	4,270	
Return airfares Perth for IT conference	3,000	Covered by the IT provider as part of the original joint purchase of system
Goods and Service Joint Tender	20,353	
Joint Tender Reseal	278,266	Recurrent (savings per year for 3 y ears)
Asbestos Management Plan EOI	4,694	Discount offered for joint engagement of same provider
Sewer Relining Tender – (administration savings)	20,500	Based on market cost such using external provider such as LG Procurement
Traffic Control joint Tender (Blayney and Cabonne) (administration savings)	20,500	
Goods and Services Tender (administration savings)	20,500	
Joint delivery of Fire Warden training	1,500	Savings on travel and accommodation of provider
Joint delivery of training for Asset Finda system	3,000	
Joint development of System Management Plan for RMS	15,000	Based on the market cost of engaging an external consultancy
Delivery of change management and resume writing workshops by WBCEM (Cabonne)	9,000	
Internal development of Business Continuity Plan Blayney and CTW (developed by WBCEM)	40,000	
Development Procedures Manual and Resolutions Register (CTW)	10,000	
<b>Annual Total (\$'s)</b>	<b>\$463,310</b>	<b>Yearly total</b>
<b>Accumulated Total (\$'s)</b>	<b>\$6,797,259</b>	<b>From 2003-16</b>



WBC Alliance Annual Report 2016





### 13 Years of Achievements:

- overall savings and efficiencies totaling \$6 797 259
- this is an average of \$523 000 per year
- completed over 65 joint projects across nearly all areas of Council business including Asset Management, Corporate systems and technology, Internal audit and risk management, Integrated Planning and Reporting, tenders and joint procurement, business continuity planning, WHS, records management, joint DA Kit, Engineering Guidelines, shared positions, fleet management, shared services frameworks etc
- Largest project was in 2010 – 11 – joint tender, purchase and implementation of IT Corporate system achieving \$469,766 in savings and efficiencies
- Joint tenders and purchases have resulted in over \$1.1 million savings
- Won over \$774,000 in external funding across activities including training, shared services, planning reform, climate change, after school care, Integrated Water Cycle Management and more
- Recipient of 8 awards celebrating excellence and innovation including winning the national Awards for Excellence in Local Government in 2003 and runner up in the same award in 2009
- 12 different General Managers have led the four councils over that time with 26 individual Mayors, Deputy Mayors and Chairmen

**09) CENTROC BOARD MEETING HELD 24 NOVEMBER 2016 (CM.CF.3)**

(Gavin Rhodes)

**RECOMMENDATION:**

1. That Council note the report, Centroc Mayoral Report and associated minutes of the Centroc Board Meeting and Annual General Meeting held 24 November 2016.

**REPORT**

A Centroc Board and Annual General meeting was held at Parliament House Canberra on 24 November 2016. The Chairman and General Manager attended and represented CTW. Cr Paul Best was also in attendance representing Weddin Shire Council in his capacity as Deputy Mayor. The meeting was very beneficial with the members of the Centroc Board having the opportunity to meet with Federal Ministers and Members to discuss various regional issues.

A copy of the Mayoral Report and the Minutes from the Centroc Board Meeting and Annual General Meeting held 24 November 2016 at Parliament House Canberra are attached to this report for your information.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- |   |  |         |
|---|--|---------|
| 1 | Centroc Mayoral Board Report 24 <sup>th</sup> November 2016                  | 6 Pages |
| 2 | Minutes of Centroc Board Meeting 24 <sup>th</sup> November 2016              | 5 Pages |
| 3 | Minutes of the Centroc Annual General meeting 24 <sup>th</sup> November 2016 | 3 Pages |



**Report from the Mayor attending the Centroc Board Meeting  
24 November 2016  
Parliament House Canberra**



I attended the Centroc Board meeting at Parliament House Canberra 24 November 2016. Meetings were also held the day before with several parties along with Centroc representatives.

Member for Calare, Mr Andrew Gee and his office staff assisted with organising the meeting in Parliament House. The Board thanked Mr Gee for his support.



The Board were fortunate to have the following Ministers and Federal Representatives address the Board.

- Mr Andrew Gee, Member for Calare
- The Hon Sussan Ley, Minister for Health and Aged Care
- The Hon Luke Hartsuyker, Assistant Minister to the Deputy Prime Minister.
- The Hon Darren Chester MP, Minister for Infrastructure and Transport
- Mr Mark Coulton, Member for Parkes
- The Hon Angus Taylor, Member for Hume and Assistant Minister for Cities and Digital Transformations
- The Hon Michael McCormack, Member for Riverina and Minister for Small Business
- Senator The Hon Fiona Nash, Minister for Regional Development, Minister for Regional Communications and Minister for Local Government and Territories



I provide the following report for Council's information, along with the meeting minutes.

**Transport Infrastructure** – Cr Bill West, Immediate Past Chair of Centroc updated the Board on the recent Strategic Roads Group meeting, where TfNSW and RMS spoke about the Bells Line of Road and the Corridor updates. The Board resolved to reaffirm the importance of the Corridor.

He also met with the Hon Duncan Gay, Minister for Roads, Maritime and Freight on the 7 November to discuss the Blayney Demondrille, securing the Corridor for the Bells Line, roads funding particularly for flood damaged roads and the closure of the Newell Highway.

All Ministers acknowledged the case for the high productivity link to Central NSW. The issue of day labour and the national disaster funding was also raised.





**Water Security** – Centroc lodged a submission on the draft framework on Microbial Health Based targets. This can be viewed on the website.

An update on the meeting held 17 November with Centroc, Lachlan Valley Water and Belubula Landholders was given to the Board. Further Media will be circulated regarding this in due course.

Further follow up with both State and Federal Ministers will be undertaken to seek clarification on water storage priorities.

**Health** – a milestone for a facebook page of 1000 likes was reached last month for the Beyond the Range Website, and the “did you know” posts are also working well.

A meeting for Weddin Shire Council to discuss funding for the Weddin Medical Hub was attended by the Chair and EO to support Mayor of Weddin Cr Leibich. The meeting was with Senator Nash, Member for Riverina, Michael McCormack, and Assistant Minister for Rural Health, David Gillespie.

**Regional Development** – A submission was lodged to the RDA independent review, showing the effectiveness of the RDA program.

The Chair of RDA Alan McCormack updated the Board and thanked the Board for their ongoing support and that the MOU between Centroc and RDACW is the only one that exists in Australia.



Minister for Regional Development the Hon Senator Fiona Nash on 23 November 2016 announced the release of guidelines for the new Building Better Regions Fund (BBRF). The BBRF will invest \$297.7 million over four years in infrastructure projects and community investments to create jobs, drive economic growth and build stronger regional communities into the future.

Minister Nash encouraged the group to apply.

**Tourism** - The Board resolved that members fund CNSWT for this financial year and support CNSWT while it seeks funding for transition arrangements.

**Planning** – A submission to the proposed JO boundaries was lodged, Centroc response was support for the boundaries. Hilltops and Upper Lachlan confirmed their intent to continue as operational members with the group.



**Management Plan and Constitutional, Policy Review** - Legal advice was sought for an amendment to the Constitution to enable administrators to be on the Centroc Executive. The Board resolved in this direction.

The Management Plan will continue incrementally with advice of tier one and two priorities until the Joint Organisation legislation becomes clear.

**Operational** – An example of the value for Centroc Regional Contracts was given on a recent Centroc contract for bulk fuel that Mid Western Regional Council calculated would save them \$155,000. Centroc operations continue to maintain savings for the Region.

- Over 6000 courses have been completed since the online training system began in 2012.
- There are 33 contracts that member councils have access to.
- \$3.6 million dollars worth of savings to September 2016 have been calculated since December 2009.

Opportunities for Central NSW will be maximized through a submission to the NSW Government on the draft Climate Change fund strategic Plan and the Draft Plan to save NSW Energy and Money.

**Financial** – the anticipated loss for 30 June 2017 is \$25,454 against a budgeted loss of \$697. This is due to Mid Western Regional Council no longer being a member. Centroc staff will endeavour to make up this loss.

**AGM** – Cr Bill West stepped down from Chair of Centroc, he thanked the Board for their support through his time as Chair.

Cr Gary Rush, Mayor of Bathurst Regional Council was elected to the position of the Chair of Centroc, and Cr John Medcalf was elected as Deputy Chair of Centroc.

As part of a new initiative, the Board nominated a delegate, who will each be responsible for priority Portfolios for 12 months

- Water (Cr Gary Rush);
- Health, (Cr John Medcalf);
- Regional Development, (Cr Bill West);
- Transport (Cr Ken Keith) and
- Planning (Cr John Davis).





I think you would agree the visit to Parliament house and the engagement with Federal Ministers was very successful this year, I look forward to the follow up with the Ministers on the connectivity from Central NSW to Sydney.

There is a lot of valuable regional collaborative activity going on and Centroc members should be congratulated for their ongoing ability to work together for better outcomes for the region.

I commend this report to you for noting.

<b>Recommendation/s</b>
-------------------------

That the Mayoral Report from the Centroc Board Meeting 24 November 2016 at Parliament House be noted.
---



**Confirmation of the Minutes of the Board Meeting 24 November 2016 held in Parliament House  
Canberra**

**Board Members in bold**

<b>Cr G Rush</b>	Bathurst Regional Council	<b>Mr G Wallace (Acting)</b>	Oberon Council
<b>Mr D Sherley</b>	Bathurst Regional Council	<b>Mr G Styles</b>	Orange City Council
<b>Cr S Ferguson</b>	Blayney Shire Council	<b>Cr K Keith</b>	Parkes Shire Council
<b>Ms R Ryan</b>	Blayney Shire Council		
<b>Cr I Gosper</b>	Cabonne Council	<b>Cr B McCormack</b>	Upper Lachlan Shire
<b>Mr S Harding (Acting)</b>	Cabonne Council	<b>Mr J Bell</b>	Upper Lachlan Shire
<b>Cr D Somerville</b>	Central Tablelands Water	<b>Cr M Liebich</b>	Weddin Shire Council
<b>Mr G Rhodes</b>	Central Tablelands Water	<b>Mr G Carroll</b>	Weddin Shire Council
<b>Cr B West</b>	Cowra Council	Mr Andrew Gee	Member for Calare
<b>Mr P Devery</b>	Cowra Council	Mr Mark Coulton	Member for Parkes
<b>Cr G Miller</b>	Forbes Shire Council	Mr Michael McCormack	Member for Riverina
<b>Mr D Green</b>	Forbes Shire Council	Mr Angus Taylor	Member for Hume
<b>Ms W Tuckerman</b>	Hilltops Council	Ms A Morgan	Dept Premier & Cabinet
<b>Mr A McMahon</b>	Hilltops Council	Mr A McCormack	RDACW
<b>Cr J Medcalf</b>	Lachlan Shire Council	Mr P Mc Millan	RDACW
<b>Mr R Hunt</b>	Lachlan Shire Council	Ms J Bennett	Centroc
<b>Cr S Lesslie</b>	Lithgow City Council	Ms M Macpherson	Centroc
<b>Mr A Muir (Acting)</b>	Lithgow City Council	Ms A Thomas	Centroc
<b>Cr K Sajowitz</b>	Oberon Council	Ms V Page	Centroc

**Andrew Gee, Member for Calare-** Opened the day at 8.57am

**The Hon Sussan Ley, Minister for Health and Aged Care** arrived at 9.04am departed at 9.26am

**The Hon Luke Hartsuyker, Assistant Minister to the Deputy Prime Minister,** arrived 9.20am  
departed at 9.50am

**The Hon Darren Chester MP, Minister for Infrastructure and Transport** arrived 9.50am departed at  
10.10am

**Mark Coulton, Member for Parkes** arrived 10.10am departed 10.25am

**The Hon Angus Taylor, Member for Hume, Assistant Minister for Cities and Digital Transformations**  
arrived 10.30am departed at 10.45am

1. **Meeting opened at 10.55am by Chair Cr B West**

**Ms Alison Morgan – DPC left room**

2. **Apologies**  
Cr J Davis, Mr K Boyd

<b>Resolved</b>	<b>Cr J Medcalf/CR I Gosper</b>
That the apologies for the Centroc Board meeting 24 November 2016 listed above be accepted.	

**3. Minutes**

**3a Noting of the Minutes of the GMAC Meeting 27 October 2016**

<b>Resolved</b>	<b>Cr K Keith/Cr J Medcalf</b>
That the Minutes of the Centroc GMAC Meeting 27 October 2016 held in Orange be noted.	

**3b Confirmation of the Minutes of the Board Meeting 25 August 2016**

<b>Resolved</b>	<b>C K Keith/Cr J Medcalf</b>
That the Minutes of the Centroc Board Meeting 25 August 2016 held in Cowra be confirmed.	

**3c Noting of the Centroc Executive meeting 27 October 2016 at Orange**

<b>Resolved</b>	<b>Cr G Miller/Cr K Keith</b>
That the Minutes of the Centroc Executive meeting 27 October 2016 at Orange be noted.	

**4. Business Arising from the Minutes – Matters in Progress**

<b>Resolved</b>	<b>Mr G Styles/Cr S Ferguson</b>
That the Board note the Matters in Progress, making deletions as suggested.	

**5. Correspondence**

**5a Correspondence In**

<b>Resolved</b>	<b>Cr M Liebich/Cr B McCormack</b>
That the Board note the incoming correspondence.	

**5b Correspondence Out**

<b>Resolved</b>	<b>Cr G Miller/Cr K Keith</b>
That the Board note the outgoing correspondence.	

**Meeting adjourned 11:09**

**The Hon Michael McCormack, Member for Riverina, Minister for Small Business arrived 11.09am**  
departed at 11.40am

**Alison Morgan DPC entered room again 11.40am**

**Meeting resumed 11:44**

**6. Reports**

**6a Transport Infrastructure including Bells Line of Road**

<b>Resolved</b>	<b>Cr S Lesslie/Mr G Styles</b>
That the Board note the Transport Infrastructure report and commends to the Board it	
<ol style="list-style-type: none"> <li>1. endorse the terms of reference for The Strategic Regional Roads Group;</li> <li>2. under the auspices of the Executive, develop an advocacy position to improve outcomes for members from a review of the roads funding framework;</li> <li>3. note the recommendation from the Roads Technical Committee on Road/Rail interface agreements and adopt the approach suggested by this group as follows: <ol style="list-style-type: none"> <li>a. Noting the importance of privilege, the advice from Marsdens on road rail interface agreements is received and commended to members;</li> <li>b. Marsdens is requested to provide a cover letter and generic contract for members to use when negotiating on road rail interfaces agreements;</li> </ol> </li> </ol>	

- |   |
|---|
| <ul style="list-style-type: none"> <li>c. Members are recommended to use these letters and contracts and cc advice to the regulator;</li> <li>d. Centroc to check with other ROCs on any activity in this regard and provide advice that we have concerns and are in negotiation;</li> <li>e. Undertake any face to face negotiation collectively; and</li> <li>f. Progress this approach through GMAC and the Executive.</li> </ul> <p>4. Reaffirm the importance of corridor sequestration for a future link between Central NSW and Sydney along the Bells Line alignment.</p> |
|---|

**6b Water Infrastructure Report**

<b>Resolved</b>	<b>Cr D Somerville/Cr I Gosper</b>
That the Board note the Water Infrastructure Report	
<ul style="list-style-type: none"> <li>1. endorse the response to the Public consultation on draft Framework on Microbial Health Based Targets; and</li> <li>2. Seek clarification on NSW water storage priorities' alignment with Federal priorities.</li> </ul>	

**6c Health Report**

<b>Resolved</b>	<b>Cr K Keith/Cr M Liebich</b>
That the Board note the Health report and	
<ul style="list-style-type: none"> <li>1. send a letter of thanks to the Hon M McCormack, the Hon F Nash and the Hon D Gillespie for their advice to Weddin as they seek funding for a medical hub;</li> <li>2. send an offer of assistance to the Hon Sarah Mitchell as she co-ordinates a meeting to scope the development of modelling that shows the social and economic effects of doctors leaving towns; and</li> <li>3. express concern regarding the scarcity of procedural General Practitioners in the region and continue to advocate to State and Federal representatives in this regard.</li> </ul>	

**6d.i Regional Development**

<b>Resolved</b>	<b>Mr G Styles/Cr K Keith</b>
That the Board note the Regional Development and	
<ul style="list-style-type: none"> <li>1. provide advice on any follow-up actions it should undertake;</li> <li>2. endorse the submission on Regional Development Australia; and</li> <li>3. receive a report on non-infrastructure priorities identified within Centroc and member programming.</li> </ul>	

**Chairman of RDACW – Mr Alan McCormack thanked the Board for their support and updated the Board on the review of the MOU between the two organisations noting it is the only one to exist in Australia.**

**6d.ii Regional Development Report**

<b>Resolved</b>	<b>Cr K Keith/Mr G Styles</b>
The Centroc Board note the information detailed and;	
<ul style="list-style-type: none"> <li>1. provided advice to DPC that the concept of workshops to support a collaborative approach to the development of Community Strategic Plans is supported noting the need for elected representatives to be included; and</li> <li>2. Three key themes relevant to most member Councils are             <ul style="list-style-type: none"> <li>a. Health</li> <li>b. Education</li> <li>c. Transport</li> <li>d. A possible fourth is law and order</li> </ul> </li> </ul>	

**Lachlan - Cr Medcalf and Mr Hunt entered room again at 11.59pm**

Mr A McMahon left meeting at 12.12pm

**6e Tourism Report**

<b>Resolved</b>	<b>Mr G Styles/Ms W Tuckerman</b>
That the Board commend to members they fund CNSWT for this financial year and through the Executive support CNSWT as it seeks State funding for transition arrangements	

**6f Planning Report**

<b>Resolved</b>	<b>Mr P Devery/Mr G Styles</b>
That the Board note the Planning Report and	
<ol style="list-style-type: none"> <li>1. approve the Advocacy Plan for Planning; and</li> <li>2. endorse the submission on Joint Organisation Boundaries.</li> </ol>	

**6g Management Plan, Constitution and Policy Report**

<b>Resolved</b>	<b>Cr K Keith/Mr D Sherley</b>
That the Board note the Management Plan, Constitution and Policy Report and	
<ol style="list-style-type: none"> <li>1. Amend the Centroc Constitution to include the following addition:  <i>5.12 Administrators</i>  <i>In the event that an Administrator is appointed to a member Council for the purpose of council amalgamation and the amalgamated council is recognised as a member of the organisation then the Administrator of that Council shall represent the Council in the position of Mayor or elected delegate or elected member as is variously described in this Constitution. The Administrator may be appointed to and to hold any position within the organisation which the Mayor or elected member or elected delegate would have been able to hold and to exercise all voting rights that would have been available to the elected members of that Council appointed as delegates to the organisation.</i> </li> </ol> <p><i>For the sake of certainty:-</i></p> <ol style="list-style-type: none"> <li>a) <i>The administrator is to be accorded the rights and entitlements as though the Mayor of the Member Council;</i></li> <li>b) <i>The administrator shall have the right to vote as though they are an elected member appointed as a delegate of the member Council;</i></li> <li>c) <i>Despite clause 3.3 the administrator is not disqualified from appointment as the Chairperson or other member of the executive of the organisation as a consequence of not being an elected member of a Member Council;</i> </li> </ol> <ol style="list-style-type: none"> <li>2. until Joint Organisation Legislation becomes clear, an incremental approach to the Management Plan continue with advice on tier one and tier two priorities; and</li> <li>3. accordingly the Board receive a Management Plan Report in February.</li> </ol>	

**6h Operational Report**

<b>Resolved</b>	<b>Mr R Hunt/Cr J Medcalf</b>
That the Board note the Operational Report and lodge a submission to the NSW Government on the Draft Climate Change Fund Strategic Plan and the Draft Plan to Save NSW Energy and Money with a view to maximizing opportunities for Central NSW.	

**6i Financial report**

<b>Resolved</b>	<b>Mr P Devery/Cr K Keith</b>
That the Board note the Financial Report	

**7. Matters Raised by Members**

The Chair raised the issue of FAGS. This will be included in the next Board agenda.

<b>Resolved</b>	<b>Cr K Keith/ Mr G Styles</b>
That a letter be sent to Member for Calare, Mr Andrew Gee thanking him for his support and his office organising today.	

**8. Speakers to the next meeting**

**Board:**

**PHN-** Andrew Harvey – February 2017

**GMAC:**

**NSW Data Analytics** - Dr Ian Oppermann CEO and Chief Data Scientist

**9. Next Meetings**

To be determined at the AGM

Meeting closed at 12.30pm

Senator The Hon Fiona Nash - Minister for Regional Development, Minister for Regional Communications and Minister for Local Government and Territories arrived at 12.35pm departed at 1.00pm

Page 5 is the last page of the Centroc Board Minutes 24 November 2016

Minutes of AGM Thursday 24 November 2016 held in Canberra Parliament House

Delegates in Bold

<b>Cr G Rush</b>	Bathurst Regional Council	<b>Mr G Wallace (Acting)</b>	Oberon Council
<b>Mr D Sherley</b>	Bathurst Regional Council	<b>Mr G Styles</b>	Orange City Council
<b>Cr S Ferguson</b>	Blayney Shire Council	<b>Cr K Keith</b>	Parkes Shire Council
<b>Ms R Ryan</b>	Blayney Shire Council	<b>Cr B McCormack</b>	Upper Lachlan Shire
<b>Cr I Gosper</b>	Cabonne Council	<b>Mr J Bell</b>	Upper Lachlan Shire
<b>Mr S Harding (Acting)</b>	Cabonne Council	<b>Cr M Liebich</b>	Weddin Shire Council
<b>Cr D Somerville</b>	Central Tablelands Water	Cr P Best	Weddin Shire Council
<b>Mr G Rhodes</b>	Central Tablelands Water	Mr Andrew Gee	Member for Calare
<b>Cr B West</b>	Cowra Council	Mr Mark Coulton	Member for Parkes
<b>Mr P Devery</b>	Cowra Council	Mr Michael McCormack	Member for Riverina
<b>Cr G Miller</b>	Forbes Shire Council	Mr Angus Taylor	Member for Hume
<b>Mr D Green</b>	Forbes Shire Council	Ms A Morgan	Dept Premier & Cabinet
<b>Ms W Tuckerman</b>	Hilltops Council	Mr A McCormack	RDACW
<b>Cr J Medcalf</b>	Lachlan Shire Council	Mr P Mc Millan	RDACW
<b>Mr R Hunt</b>	Lachlan Shire Council	Ms J Bennett	Centroc
<b>Cr S Lesslie</b>	Lithgow City Council	Ms M Macpherson	Centroc
<b>Mr A Muir (Acting)</b>	Lithgow City Council	Ms A Thomas	Centroc
<b>Cr K Sajowitz</b>	Oberon Council	Ms V Page	Centroc

1 Meeting opened at 1.15pm Chaired by **Cr B West**

2 Apologies

Cr J Davis, Mr K Boyd, Mr A McMahon

<b>Resolved</b>	<b>Mr D Sherley/Cr J Medcalf</b>
That the apologies for the Centroc AGM meeting 24 November listed above be accepted.	

3 Minutes

Ratification of the Minutes of the AGM 26 November 2015

<b>Resolved</b>	<b>Mr D Sherley/Mr J Bell</b>
That the Minutes of the AGM 26 November 2015 be confirmed.	

4 Chairperson's Report – Presentation of the Annual Report

<b>Resolved</b>	<b>Cr G Rush/Mr D Green</b>
That the Annual Report be received and accepted with copies sent to member Councils for circulation to all Councillors in the region	

5 Election of new Executive

- Cr B West stepped down from Chair.
- Mr A McCormack became returning Officer.
- Cr Gary Rush was elected as Chair unopposed.
- Cr John Medcalf was elected as Deputy Chair unopposed.

<b>Resolved</b>	<b>Mr G Styles/Cr K Keith</b>
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That the Centroc Board confirms that Cr S Lesslie, Cr K Keith, Cr Davis being the Mayors from Lithgow City Council, Parkes Shire Council and Orange City Council as the ordinary members of the Centroc Executive.

The Centroc Board welcomes the balance of the Executive:

- Cr Bill West (Cowra) as immediate past chair
- Cr G Miller and Mr D Green (Forbes) as Centroc Treasurer
- Mr D Sherley (Bathurst) as Secretary and Chair of GMAC
- Messers – Hunt (Lachlan), Devery (Cowra), Boyd, (Parkes) and Styles (Orange) forming the balance of the Executive.

**Cr G Rush Assumed Chair**

**6 Election of Centroc Delegates**

<b>Resolved</b>
1. Cr B West, Cr K Keith, Cr G Rush, Cr S Lesslie, Cr G Miller are the delegates for the Blue Mountains Expressway Group <b>Cr B West/ Cr K Keith</b>
2. Cr S Ferguson will represent Centroc on the Western Region Academy of Sport <b>Mr G Styles/Cr B West</b>
3. Sally Hall and Charmaine Bennett will represent Centroc on the, NSW Council Safe Advisory Network <b>Mr G Styles/Mr D Sherley</b>
4. Cr B West, Cr K Keith, Cr S Lesslie, Cr G Miller is the representative for the Regional Strategic Roads Group <b>Mr D Sherley/Cr J Medcalf</b>
5. Cr G Rush is the representative for The Western Mining Taskforce <b>Cr B West/Mr D Sherley</b>
6. Cr G Rush is the representative for The Outer Sydney Orbital and Castlereagh Connection Corridor Steering Committee <b>Cr B West/Mr G Styles</b>

**6a External bodies and portfolio Mayors**

<b>Resolved</b>	<b>Cr B West/Mr G Styles</b>
That, from the floor, the Board determine delegates to external bodies and portfolio Mayors For 12 Months. <b>Transport - Cr Ken Keith</b> <b>Water – Cr Gary Rush</b> <b>Health - Cr John Medcalf</b> <b>Regional Development - Cr Bill West and</b> <b>Planning – Cr John Davis</b>	

**7 Appointment of Auditor**

<b>Resolved</b>	<b>Mr D Green/Cr S Ferguson</b>
That Crowe Horwath be appointed as the Auditor for Centroc	

**8 Constitutional Review**

<b>Resolved</b>	<b>Mr G Styles/Mr D Sherley</b>
That the Board note the Constitution and that update advice will be provided during the Joint Organisation reform period.	

**9 Policy review**

<b>Resolved</b>	<b>Mr D Sherley/Cr K Keith</b>
That the Centroc Policy Manual be adopted and the balance of the report be noted, with amendment to wording, page 44 under the heading of Responsibility - Staff and Board Members, the wording be changed from "directs" to "informs" when referring to Board members.	

**10 Presentation of the Statement of Finances**

<b>Resolved</b>	<b>Cr B West/ Mr G Styles</b>
That the Statement of Finances for Centroc be adopted.	

**11 Meeting Dates for 2017**

<b>Resolved</b>	<b>Cr J Medcalf/Cr I Gosper</b>		
That the Centroc Meeting dates for 2017 be			
<b>Board</b>	<b>Meeting of</b>	<b>Time</b>	<b>Host</b>
Thursday 23 February	Board	9:30 for 10am	Forbes
Thursday 25 May	Board	9:30 for 10am	Hilltops/State Parliament
Thursday 24 August	Board	9:30 for 10am	Lachlan/Federal Parliament
Thursday 23 November	Board	9:30 for 10am	Lithgow
<b>Executive</b>	<b>Meeting of</b>	<b>Time</b>	<b>Host</b>
Thursday 9 February	Executive	8.30 - 10am	Orange
Thursday 4 May	Executive	8.30 - 10am	Orange
Thursday 27 July	Executive	8.30 - 10am	Orange
Thursday 26 October	Executive	8.30 - 10am	Orange
<b>GMAC</b>	<b>Meeting of</b>	<b>Time</b>	<b>Host</b>
Thursday 9 February	GMAC	9:30 for 10am -12:30	Orange
Thursday 4 May	GMAC	9:30 for 10am -12:30	Orange
Thursday 27 July	GMAC	9:30 for 10am -12:30	Orange
Thursday 26 October	GMAC	9:30 for 10am -12:30	Orange

**12 Other Business**

<b>Resolved</b>	<b>Cr S Lesslie/ Cr J Medcalf</b>
To record the appreciation for Mr Roger Bailey for his work at Lithgow City Council and Centroc.	

Meeting closed at 1.30pm

Page 3 is the last page of the Centroc AGM minutes 24 November 2016 held in Parliament House



**10) REGIONAL WATER SECURITY PIPELINE PROJECT UPDATE (WS.AG.1)**

(Leonie Freeth)

**RECOMMENDATION:**

That Council:

1. Note the progress report of the Central Tablelands Regional Water Security Project; and
2. Formally approve the contribution of \$2.5 million towards the project for the upgrade of pipelines and pump stations from Millthorpe to Blayney and Carcoar.

**REPORT**

In 2015, Central Tablelands Water (CTW) agreed to proceed with the Regional Water Security Pipeline Project. The project aims to improve water security and contingency through the connection of CTW and Orange City Council (OCC) water systems.

On 8 April 2015, CTW Council formally approved to proceed with the project under the Restart NSW Water Security for Regions program. A contribution of \$2.5m from CTW was considered a good investment of CTW funds as the project was replacing ageing assets, that was estimated at \$17.31m replacement cost. Although the contribution of \$2.5m by CTW was formally approved and adopted in its 2015/2016 Operational Plan, legal advice obtained from Marsdens Law Group by Orange City Council, has recommended that CTW resolve to provide the financial support in the sum of \$2.5m to the project, which ensures that those funds are committed to the project.

The original funding submission estimated the cost of all works to be \$35.78 million. A total of \$28.28 million was requested from Infrastructure NSW (INSW). In late 2015, 75% of the requested funding was granted by INSW under the Restart NSW *Water Security for Regions* Program for Stage 1 of the Regional Water Security Pipeline Project which equated to \$21.21 million. Combined with contributions from Central Tablelands Water (\$2.5m) and Orange City Council (\$5m), this equated to only \$28.710 million, approximately \$8 million short of the total project cost.

Project stages were developed in order to proceed with the project, Stage 1 being a pipeline from Orange to Blayney and Stage 2 being a pipeline from Blayney to Carcoar Water Treatment Plant. These stages were shown as separable portions within the tender documentation.

On 12<sup>th</sup> October 2016 tenders closed for the Detailed Design and Construction of the Orange to Carcoar pipeline. The prices tendered were more competitive than anticipated, so much so that the Tender for the Design Development and Construction of both stages of the Central Tablelands Regional Water Security Pipeline Project (the "Project") could be awarded. On the 16<sup>th</sup> November 2016, Orange City Council awarded the contract to Leed Engineering and Construction Pty Ltd.

In addition, the following investigative works with a view to future funding opportunities are currently being undertaken:

- City Water Technologies (CWT) has been engaged to undertake a feasibility assessment of upgrades to Blayney Water Treatment Plant and Carcoar Water Treatment Plant, as well as a 10 ML Reservoir at Carcoar Water Treatment Plant;
- A detailed design of a replacement Trunk Main A (the trunk main between Lake Rowlands and Carcoar Water Treatment Plant); and,
- A detailed design of the 10 ML Reservoir at Carcoar Water Treatment Plant.

These investigations and design is expected to be completed by March 2017.

### **BUDGET IMPLICATIONS**

Nil

### **POLICY IMPLICATIONS**

Nil

### **ATTACHMENTS**

Nil

**11) TRUNK MAIN K RENEWAL (WS.AG.1)**

(Leonie Freeth)

**RECOMMENDATION:**

1. That the information be noted.

**REPORT**

Trunk Main K supplies Grenfell with water from the Central Tablelands Water (CTW) system. Built in 1946, Trunk Main K stretches across 34 kilometres from Gooloogong to Grenfell. The pipeline is cast iron, and while the main has reliably delivered water to the town of Grenfell for the last 70 years, there are some areas of the pipeline that are beginning to fail. The Capital Works budget for replacement of Trunk Main K is \$6.2 million extending from 2015/16 – 2017/18 financial years.

Construction will be divided into three stages, with Stage 1 being construction between McDonald's Lane pump station and Grenfell North reservoir (approximately 11 kms)

Over the last year, CTW Site Supervisor, Lance Harvey has consulted thoroughly with landholders across the traverse of Trunk Main K. In mid-October 2016, landholders have been followed up with a Landholder factsheet that detailed the construction methodology and construction staging. A Landholder BBQ was held on 17<sup>th</sup> November 2016 at McDonald's Lane pump station. The BBQ was attended by approximately 10 local landholders as well as CTW Council members and staff.

Work commenced on the following Monday 20<sup>th</sup> November 2016. To date (5/12/2016) approximately 1500 metres of pipeline has been constructed, which is a little behind the construction rate that was expected. Some of the delay can be attributed to encountering rock which has resulted in some delay (1-2 days).

	<b>PROJECT BUDGET</b>	<b>ACTUAL EXPENDITURE TO DATE</b>
<b>15/16</b>	\$ 150,134.00	\$67,843.05
<b>16/17</b>	\$ 3,027,530.00	\$173,113.50 (end of Nov. 16)
<b>17/18</b>	\$ 3,004,700.00	
<b>TOTAL</b>	\$ 6,182,364.00	

Actual expenditure of \$173,113.50 is slightly behind budgeted cash flow of \$202,004.69 for November 2016. There have been no safety incidents or misses on site.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**12) MAINTENANCE OF COUNCIL'S SYSTEMS (WS.MO.4)**

(Leonie Freeth)

**RECOMMENDATION:**

1. That the information be noted.

**REPORT***a) Meter Reading*

The second meter read for the 2016/17 financial year commenced in Blayney on 13<sup>th</sup> October, and was finalised on 27<sup>th</sup> October 2016 with Cowra Shire meters.

*b) Meter Change Program*

The meter change program continued throughout the County area with ten meters replaced that were reading over 7,500kls.

*c) Service Replacement Program*

Council staff completed 4 full service replacements during the past two months.

*d) Hydrant & Valve Maintenance*

Hydrant maintenance was undertaken throughout all towns and villages across the County.

*e) Reticulation Maintenance*

A stop valve and hydrant were cut into the reticulation pipe at Manildra Mill. This stop valve will allow water supply to be maintained to Manildra Mill in the event of a main break in Manildra township.

*f) Pump Station Maintenance*

Electrical inspection of all pump stations in preparation for the summer period is mostly finished. The inspection has highlighted minor problems in a number of pump stations.

Bearings have been replaced in the motor of one pump at Canomodine Pump Station. The Quandialla bore submersible pump was also faulty and was replaced with a standby submersible pump.

*g) Filtration Plant Maintenance*

Three sludge lagoons have been cleaned and placed back into operation at Carcoar. The Compressor and Saturator at Carcoar WTP has had its annual inspection and service.

The sludge bed at Blayney Water Treatment Plant was cleaned.

*h) Reservoir Maintenance*

CTW has commenced a mesh installation program on all reservoirs, commencing with Carcoar Township Reservoir which was completed on 7/8 December 2016. Quotations for the Carcoar Township Reservoir sought ranged from \$15,000 to \$25,000. However, CTW will be undertaking this work progressively in-house, following training of a staff member in Elevated Work Platforms.

Reservoir integrity has been highlighted as a major issue in recent months following the boil-water alert in Dubbo. As such, CTW has also introduced a new reservoir integrity checklist that will be conducted monthly.

A faulty telemetry ultrasonic has been replaced at Lyndhurst Reservoir.

*i) Trunk Main Maintenance*

A significant leak on an elbow servicing a rural fire service hydrant on Trunk Main L was rectified.

*j) WH&S*

Council's WH&S representative has conducted internal safety audits at Canowindra Depot, Grenfell Depot, Carcoar Water Treatment Plant and Blayney Water Treatment Plant with only minor issues identified.

All operational staff undertook "Operate and Control Liquefied Chlorine Gas Disinfection/ Refresher" Training in November 2016.

*k) Lake Rowlands*

Annual servicing of destratification compressor was undertaken. In addition, a fence was removed on the Auxiliary Spillway as per dam safety requirements.

*l) Capital Works*

Internal fitting is being undertaken for the new office/amenities building at Blayney Filtration Plant.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**13) PERFORMANCE OF COUNCIL'S SYSTEMS (WS.MO.4)**

(Leonie Freeth)

**RECOMMENDATION:**

1. That the information be noted.

**REPORT**

*a) Main Breaks*

The main failures recorded during the past two months are listed in the table below.

Location		Date	Size	Comment
Blayney	Martha Street	25/10/16	150mm	S/L
Carcoar	Stoke Lane	29/11/16	100mm	DNR
Millthorpe	Redmond Oval	24/10/16	100mm	S/L
Trunk Main 'U'	Canomodine PS	3/10/16	150mm	S/L

*b) Service Complaints and Requests*

A summary of service complaints and requests received for the last two months are as follows:

<b>BLAYNEY</b>	<b>22</b>
CHECK METER READING	1
CUSTOMER DAMAGED METER	2
LEAKING METER	7
LEAKING SERVICE	6
LOW PRESSURE COMPLAINT	1
MAIN BREAK	1
METER NOT SHUTTING OFF	4
<b>CANOWINDRA</b>	<b>15</b>
DISCONNECTION OF WATER SUPPLY	1
LEAKING METER	3
LEAKING SERVICE	7
LOW PRESSURE COMPLAINT	1
MAINTENANCE - GENERAL	1
NO WATER COMPLAINT	1
PRV ISSUE/MAINTENANCE	1
<b>CARCOAR</b>	<b>2</b>
LEAKING METER	1
MAIN BREAK	1
<b>CARGO</b>	<b>2</b>
LEAKING METER	1
LEAKING SERVICE	1

<b>CUDAL</b>	<b>3</b>
LEAKING METER	1
LEAKING SERVICE	2
<b>EUGOWRA</b>	<b>4</b>
LEAKING METER	2
LEAKING SERVICE	1
METER NOT SHUTTING OFF	1
<b>GRENFELL</b>	<b>6</b>
BURST METER	1
CHECK METER READING	1
LEAKING METER	2
MAINTENANCE - GENERAL	1
METER NOT SHUTTING OFF	1
<b>MANDURAMA</b>	<b>1</b>
NO WATER COMPLAINT	1
<b>MANILDRA</b>	<b>2</b>
CHECK METER READING	1
LEAKING SERVICE	1
<b>MILLTHORPE</b>	<b>7</b>
LEAKING METER	2
LEAKING SERVICE	3
MAIN BREAK	1
METER NOT SHUTTING OFF	1
<b>QUANDIALLA</b>	<b>2</b>
HYDRANT LEAKING	1
LEAKING SERVICE	1
<b>Grand Total</b>	<b>66</b>

c) *Lake Rowlands*

The level of Lake Rowlands has decreased from 108% (30.9.2016) to its present level of 99.3% (5.12.16). Destratification system operating since mid-November 2016.

d) *New Water Services*

During the past two months there have been one new domestic water service connected to Council's mains.

### **BUDGET IMPLICATIONS**

Nil

### **POLICY IMPLICATIONS**

Nil



**ATTACHMENTS**

Nil

**14) QUESTIONS ON NOTICE**

(Gavin Rhodes)

No questions on notice were received.

**ATTACHMENTS**

Nil

**15) WATER LEAKAGE – ACCOUNT 7092000004 (CR.EQ.1)**  
**WATER ACCOUNT - 41931000008 (CR.EQ.1)**

(Gavin Rhodes)

**RECOMMENDATION:**

That, as these matters deal with items that are subject to the affairs of an individual and confidentiality, Council consider it in Committee of the Whole and that in terms of Sections 10A (2) and 10B (A) of the Local Government Act, the press and the public be excluded from the meeting of the Committee of the Whole.

**ATTACHMENTS**

Nil

16) **PROCEED TO COMMITTEE OF THE WHOLE**

(Gavin Rhodes)

**RECOMMENDATION:**

1. That, as business for the Ordinary Meeting has now concluded, Council proceed into Committee of the Whole to discuss the items referred to in the report.

*Council should exclude the press and public at this point, for confidential discussion on the items referred to Committee*

**ATTACHMENTS**

Nil

17) **REPORT OF THE COMMITTEE OF THE WHOLE**

(Gavin Rhodes)

**RECOMMENDATION:**

1. That the recommendations of the Committee of the Whole be adopted.

**ATTACHMENTS**

Nil

**Minutes of the Ordinary Meeting of Central Tablelands Water held at Central Tablelands Water, on Wednesday, 12<sup>th</sup> October 2016, commencing at 10.30am**

<b><u>Present</u></b>	Cr. David Somerville	(Chairman)	Blayney
	Cr. Kevin Walker	(Deputy Chairman)	Cabonne
	Cr. Anthony Durkin		Cabonne
	Cr. Paul Best		Weddin
	Cr. Craig Bembrick		Weddin
	Cr. Geoffrey Braddon OAM		Blayney
	Gavin Rhodes	(General Manager)	
	Leonie Freeth	(Director Operations & Technical Services)	
	Raelene Mulligan	(Director Finance & Corporate Services)	

*Council's Auditor, Mr John O'Malley a Partner with Intentus Chartered Accountants, presented his findings of the 2015/2016 Financial Statements.*

*Council's General Manager, Mr Gavin Rhodes, presented an information session on the history and current operations of Central Tablelands Water.*

**APOLOGIES**

Nil

**CONFIRMATION OF MINUTES**

**16/067 RESOLVED:**

That the Minutes of the Ordinary Meeting of Central Tablelands Water, held on 10 August 2016, being minute numbers 16/051 to 16/066 inclusive, be confirmed.

(Cr. Braddon/Cr. Walker)

**MATTERS ARISING FROM PREVIOUS MINUTES**

The General Manager advised Council that he contacted NSW Public Works Advisory in relation to any potential disaster recovery funding which may be available for repairs to a recent damaged trunk main due to storms and flooding. It was confirmed that as Central Tablelands Water is considered a 'trading undertaking' whereby recovery of its costs can be through rates and charges and, therefore, is not eligible for any financial assistance.

The General Manager also advised that he had written to the candidates contesting the upcoming by-election of the NSW seat of Orange, seeking their support for the proposed new Cranky Rock Dam proposal on the Belubula River. As at 12<sup>th</sup> October 2016, only one response had been received.

**CHAIRMAN'S MINUTE**

Since our last meeting there are several developments on the reform front of potential impact on CTW.

First, the final form of Joint Organisations (JO) will be soon known as the government is set to introduce legislation shortly. For CTW it is likely to mean that we will no longer be a full member of the JO (as we are now with Centroc) but become an associate member with rights to attend board meetings but no voting rights. I don't see this as a particular issue for CTW or county councils generally, but it will be important that we are a fully participating member in the CWUA, the Water Utilities Alliance, as this is the forum of direct relevance to CTW. We are discussing with Centroc its future structure once mandatory JO's are created by legislation and certain core functions are transferred to them. This will necessarily include the structure of the CWUA and CTW's role in it.

On the topic of JO's I was asked by Local Government NSW to provide input on behalf of the water county councils into what should be their future relationship with JO's. It is critical to ensure that JO's do not become masters of the county councils or encroach into their service delivery responsibilities. I hope these points will be reflected in the legislation.

Secondly, as councillors will have heard, Cabonne council yesterday decided to appeal the decision of the Land and Environmental Court which dismissed its case against the proposed Cabonne-Orange-Blayney merger. Whether this merger will go ahead is still up in the air, not only because of the continuing court challenge but because of the looming bi-election for the State seat of Orange. The general manager and I have been continuing to lobby for protections to be included in any proclamation, if a merger does ultimately proceed, to ensure that there can be continuity of governance for county councils. We have now been joined in this effort by two other water county councils already affected by mergers.

I ask that this chairman's minute be accepted, noted and endorsed.

**16/068 RESOLVED:**

That the Chairman's Minute, as read, be accepted and the contents therein be noted and endorsed.

(Cr. Best/Cr. Bembrick)

**MATTERS ARISING FROM CHAIRMANS MINUTE**

*Cr Durkin moved a motion that Council makes representation to the Minister for Local Government to ensure that the constitution of CTW continues to provide that each constituent Council continues to have an equal number of votes, including any period of administration.*

**16/069 RESOLVED:**

That Council makes representation to the Minister for Local Government to ensure that the constitution of CTW continues to provide that each constituent Council continues to have an equal number of votes, including any period of administration.

(Cr. Durkin/Cr. Best)

*Cr. Braddon requested that it be noted that he voted against this recommendation.*

**COUNCILLOR REPRESENTATION**

Cr Somerville represented CTW at the following meetings:

- Attended the LGNSW Water Management Conference 28-30<sup>th</sup> August 2016 in Broken Hill.
- Meeting with the Minister for Local Government Paul Toole MP, Chair and Executive Officer of CENTROC at Parliament House Sydney on 13<sup>th</sup> September 2016.
- Meeting with the Manager Asset Strategy WaterNSW in Sydney on 10<sup>th</sup> October 2016.
- Attended the Water County Council General Manager's meeting in Sydney on 10<sup>th</sup> October 2016 .
- Meeting with the Minister for Local Government's Senior Advisor in Sydney on 10<sup>th</sup> October 2016.

Cr Walker represented CTW at the following meetings:

- Attended the LGNSW Water Management Conference 28-30<sup>th</sup> August 2016 in Broken Hill.

**01) OATH OR AFFIRMATION OF OFFICE BY COUNCILLORS (GO.CO.2)****16/070 RESOLVED:**

That the Oath or Affirmation of Office by Councillors be conducted.

(Cr. Durkin/Cr. Braddon)

*Cr Somerville, Cr Walker and Cr Braddon took the Oath and Cr Bembrick, Cr Best and Cr Durkin took the Affirmation of Office. All Councillors signed their respective oath or affirmation of office.*



**02) ELECTION OF CHAIRMAN AND DEPUTY CHAIRMAN (GO.CO.2)**

*The General Manager advised that he had received one nomination for the position of Chairman, namely Cr. David Somerville, and called for any further nominations. No further nominations were received.*

**Cr. David Somerville was declared duly elected as Chairman.**

*The General Manager advised that he had received one nomination for the position of Deputy Chairman, namely Cr Kevin Walker, and called for any further nominations. No further nominations were received.*

**Cr. Kevin Walker was declared duly elected as Deputy Chairman.**

**03) COUNCIL COMMITTEES (GO.CO.2)**

**16/071 RESOLVED:**

That Council confirm the Audit Committee comprise of the Chairman (or delegate), two (2) external independents, the General Manager as an observer, and the Director Finance and Corporate Services assuming the role of Secretariat to the Audit Committee (responsible for the coordination of the audit committee, functions and processes).

(Cr. Bembrick/Cr. Braddon)

**04) MEETING TIMES AND DATES (GO.CO.2)**

**16/072 RESOLVED:**

1. That Council hold its ordinary meetings on the 2nd Wednesday of alternate months, as follows:

Wednesday	14 <sup>th</sup> December 2016	-	Canowindra
Wednesday	8 <sup>th</sup> February 2017	-	Grenfell
Wednesday	12 <sup>th</sup> April 2017	-	Blayney
Wednesday	14 <sup>th</sup> June 2017	-	Canowindra
Wednesday	9 <sup>th</sup> August 2017	-	Grenfell
Wednesday	11 <sup>th</sup> October 2017	-	Blayney

2. Council consider the Draft Operational Plan and Budget at the April ordinary meeting each year.

(Cr. Walker/Cr. Durkin)

**05) ANNUAL FINANCIAL STATEMENTS (FM.FR.1)****16/073 RESOLVED:**

That the audited financial reports for the year ended 30 June 2016, together with the auditor's report, be received and noted.

(Cr. Braddon/Cr. Durkin)

**06) INTENTUS – INTERIM AUDIT MANAGEMENT LETTER YE 30/06/2016 (CM.AU.1)****16/074 RESOLVED:**

That the information be noted.

(Cr. Walker/Cr. Braddon)

**07) FINANCIAL MATTERS (FM.BA.1)****16/075 RESOLVED:**

That the information be noted.

(Cr. Durkin/Cr. Walker)

**08) QUARTERLY BUDGET REVIEW STATEMENT – 30<sup>TH</sup> SEPTEMBER 2016 (FM.FR.1)****16/076 RESOLVED:**

That the budget review statement for the quarter ended 30<sup>th</sup> September 2016 be accepted, and the variations therein be adopted.

(Cr. Braddon/Cr. Durkin)

**09) CANCER CARE WESTERN NSW INC – LETTER OF THANKS (CR.SD.1)****16/077 RESOLVED:**

That Council note the report.

(Cr. Durkin/Cr. Walker)

**10) COUNCILLOR EXPENSES AND FACILITIES POLICY (CM.PO.1)****16/078 RESOLVED:**

That Council endorse the draft Councillor Expenses and Facilities Policies as presented in the General Manager's Report and place them on public display for a period of 28 days with a view to adoption at the December 2016 meeting of Council.

(Cr. Walker/Cr. Braddon)

**11) POLICY REGISTER (CM.ME.1)****16/079 RESOLVED:**

That the updated Policy Register, with the inclusion of the Revenue Policy, be adopted.

(Cr. Best/Cr. Bembrick)

**12) 2014/2015 NSW WATER SUPPLY PERFORMANCE MONITORING REPORT (GR.SL.2)****16/080 RESOLVED:**

That the 2014/2015 Water Supply Performance Report for Local Government Water Utilities be received and noted.

(Cr. Walker/Cr. Braddon)

**13) MAINTENANCE OF COUNCIL'S SYSTEMS (WS.MO.4)****16/081 RESOLVED:**

That the information be noted.

(Cr. Walker/Cr. Bembrick)

**14) PERFORMANCE OF COUNCIL'S SYSTEMS (WS.MO.4)****16/082 RESOLVED:**

That the information be noted.

(Cr. Durkin/Cr. Bembrick)

**15) QUESTIONS ON NOTICE**

No questions on notice were received.

**16) CENTRAL TABLELANDS REGIONAL WATER SECURITY PROJECT - VALUATIONS (WS.AM.1)****WATER LEAKAGE – ACCOUNT 2340100007 (CR.EQ.1)****LATE ITEM – TRUNK MAIN 'K' RENEWAL – PROCUREMENT OF PIPELINE (WS.AG.1)**

**16/083 RESOLVED:**

1. That, Council adjourn into a Closed Meeting and the press and the public be excluded from the meeting of the Committee of the Whole, as these matters are considered to be confidential under Section 10A(2) of the Local Government Act, for the following reasons:

a. commercial information of a confidential nature that would, if disclosed:

i. confer a commercial advantage on a competitor of the council, or

b. personal matters concerning particular individuals (other than councillors).

(Cr. Braddon/Cr. Durkin)

**17) PROCEED TO COMMITTEE OF THE WHOLE**

**16/084 RESOLVED:**

That, as business for the Ordinary Meeting has now concluded, Council proceed into Committee of the Whole to discuss the items referred to in the report.

(Cr. Walker/Cr. Braddon)

**REPORT OF THE COMMITTEE OF THE WHOLE**

**CENTRAL TABLELANDS REGIONAL WATER SECURITY PROJECT - VALUATIONS (WS.AM.1)**

**RECOMMENDATION:**

1. That Council agree to pay the remaining 90% compensation when and if Phase 2 is funded, and the easement is registered with NSW Land & Property Information; and,
2. That Council give delegated authority to the General Manager to negotiate with each landholder + or – 50% of the Opteon valuation.

(Cr. Braddon/Cr. Walker)

**WATER LEAKAGE – ACCOUNT 2340100007 (CR.EQ.1)**

**RECOMMENDATION:**

That Council grant a one-off concession of 50% off the consumption charge as recorded on the August 2016 water account.

(Cr. Durkin/Cr. Braddon)

**LATE ITEM – TRUNK MAIN ‘K’ RENEWAL – PROCUREMENT OF PIPELINE (WS.AG.1)**

**RECOMMENDATION:**

That Council approve the purchase of pipeline for Trunk Main K Stage 1 works through the Local Government Procurement (LGP) VendorPanel.

(Cr. Braddon/Cr. Walker)

**RECOMMENDATION:**

That as the deliberation of the Committee is concluded, the Council reconvene the Ordinary Meeting.

(Cr. Braddon/Cr. Durkin)

**18) REPORT OF THE COMMITTEE OF THE WHOLE**

**16/085 RESOLVED:**

That the recommendations of the Committee of the Whole be adopted.

(Cr. Braddon/Cr. Durkin)

**Next Meeting:** The next meeting of Central Tablelands Water will be held in Canowindra on 14<sup>th</sup> December 2016.

There being no further business, the Chairman declared the meeting closed at 1.25pm.