

CENTRAL TABLELANDS *Water*



Business Paper

Ordinary Meeting of Central Tablelands Water

12th February 2014

Grenfell



5 February 2014

Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at the Weddin Shire Council on Wednesday, 12 February 2014 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 11.12.13
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 – Blayney – 9th April 2014

Yours faithfully

A. Perry
General Manager

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HELD ON WEDNESDAY 12 FEBRUARY 2014

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01) Financial Matters (FM.BA.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That the information be noted.

REPORT

Details of all payments made to creditors in the preceding two months are available for inspection at the Blayney office.

The Bank Reconciliation, as at 31st December 2013, together with a Statement of Funds Invested, is attached to the business paper.

Council's Petty Cash Book and the Warrant Listing will be **tabled** on meeting day.

As required by Council, the following table details the status of Council's investments through Lehman Bros at 31st December 2013:

Investment	Interest Rate	Above BBSW	Call Date	Maturity Date	Interest Paid	Face Value	Current % value	Current Value
Aphex (Glenelg AA-)	4.3150%	1.68%	22/06/2009	22/12/2014	Quarterly	50,000	91.88	45,940
MAS (Parkes AA-)	N/A	N/A	20/12/2009	20/06/2015	Quarterly	300,000	N/A	N/A
Total						\$350,000	13.13	\$45,940

The value of the CDO investments acquired through Lehman's have a current valuation as at 31st December 2013, of \$45,940. This is an increase of \$2,115 from the last reported valuation of \$43,825 as at 31st October 2013. The CDO investments are now valued at 13.13% of par value.

Legal proceedings against Lehman Bros are continuing through Piper Alderman with no further information available at this time.

Council's remaining investment portfolio, other than CDO's of approximately \$4.55 million is all capital guaranteed, primarily in term deposits.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 Bank Reconciliation December 2013 1 Page

**CENTRAL TABLELANDS COUNTY COUNCIL
STATEMENT OF BANK BALANCES AS AT 31ST DECEMBER 2013**

GENERAL FUND

(a) Cash Book Balance	\$ 552,024.76
(b) Bank Balance	\$ 552,194.76
(c) Limit of Overdraft (Bank)	Nil
(d) Limit of Overdraft (Statutory)	\$ 1,130,000.00

BANK RECONCILIATION

Balance as per Bank Statement	\$552,194.76
Add: Outstanding deposits	\$552,194.76
Less: Outstanding Cheques	\$ 170.00
Less: Deposits not processed	-
Balance as per Cash Book	\$552,024.76

FUNDS INVESTED AS AT 31 DECEMBER 2013

<u>Form of Investment</u>	<u>Institution</u>	<u>Amount</u>	<u>Rate of Interest</u>	<u>Bank Bill Swap Rate</u>
(1) Floating Rate CDO	Aphex Pacific Capital (Gleleg AA-)	\$ 50,000.00	4.31%	2.64%
(2) Floating Rate CDO	Managed ACES SPC (Parkes AA-)	\$ 300,000.00	N/A	2.64%
(3) Term Deposit	ING Direct Bank (180 Days)	\$ 350,000.00	3.75%	2.64%
(4) Term Deposit	ING Direct Bank (180 Days)	\$ 500,000.00	3.75%	2.64%
(5) Term Deposit	Rabo Direct Bank (180 Days)	\$ 500,000.00	3.95%	2.64%
(6) Term Deposit	National Australia Bank (180 Days)	\$ 500,000.00	3.71%	2.64%
(7) Term Deposit	National Australia Bank (180 Days)	\$ 500,000.00	3.79%	2.64%
(8) Term Deposit	Reliance Credit Union (180 Days)	\$ 500,000.00	3.93%	2.64%
(9) Term Deposit	Reliance Credit Union (180 Days)	\$ 500,000.00	3.85%	2.64%
(10) Term Deposit	Reliance Credit Union (180 Days)	\$ 500,000.00	3.85%	2.64%
(11) Cheque Account	Reliance Credit Union	\$ 4,350,000.00	0.00%	2.64%
(12) Cheque Account	Commonwealth Bank	\$ 23.26	2.45%	2.64%
(13) Business On-line Saver	Commonwealth Bank	\$ 501,548.46	2.70%	2.64%
		\$ 4,902,194.76		

In accordance with the Local Government (Finance Regulations) 1993 (Part 4, Cl. 19), I hereby certify:

The above Investment Summary represents Council's total investments as at 31 December 2013 and that the investments have been made in accordance with the Act, the regulations and Council's investment policies.



Gavin Rhodes
Manager Finance & Corporate Services

02) Budget Review Statement - 31 December 2013 (FM.FR.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That the Quarterly Budget Review for the quarter ended 31 December 2013 be accepted and the variations therein be adopted.

REPORT

The Quarterly Budget Review (QBR) for the period ended 31 December 2013 is submitted for examination by Council (refer Attachment 1).

It is estimated that the original budget surplus of \$1,829 will increase by \$300,333 to an estimated surplus of \$302,162.

This significant increase to the operating surplus is mainly attributed to the significant increase in water sales as a result of reduced rainfall and hot seasonal conditions in the Central Western area this financial year. The forecast water sales for the remaining six months has taken into account the known actual water sales for the 3rd quarter and estimated sales for the 4th quarter.

There are five variations recommended to the operational budget and no variations to the capital budget at this stage. These variations are listed on page 4 of the December 2013 QBR with variation comments provided on page 5 respectively.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 Budget Review Statement December 2013 7 Pages

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/10/13 to 31/12/13

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Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/10/13 to 31/12/13

Report by Responsible Accounting Officer

The following statement is made in accordance with Clause 203(2) of the Local Government (General) Regulations 2005:

It is my opinion that the Quarterly Budget Review Statement for Central Tablelands Water for the quarter ended 31/12/13 indicates that Council's projected financial position at 30/6/14 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed:



Gavin Rhodes
Responsible Accounting Officer

Date:

4/02/2014

Budget Review Statement as at 31 December 2013

Council's Revised Income and Expenditure for the year 2013/2014

Original Budget	<u>Operating Revenue</u>		
1,235,673	Availability Charges	1,235,673	
3,300,442	Water Charges	3,778,242	
148,000	Interest	168,000	
346,832	Other Revenues	353,403	
53,707	Grants & Subsidies	53,707	
138,415	Developer and Capital Contributions	158,415	
64,699	Gains on Disposal of Assets	64,699	
5,287,768			5,812,139
	<u>Operating Expenses</u>		
1,647,617	Employee Costs	1,649,446	
244,365	Borrowing Costs	244,365	
790,159	Materials & Contracts	933,159	
8,000	Legal Costs	8,000	
51,000	Consultants	51,000	
695,637	Other Expenses	774,846	
1,849,161	Depreciation - System Assets	1,849,161	
5,285,939			5,509,977
1,829	<u>Operating Result for Period</u>	Surplus/(Deficit)	302,162
	<u>Less Non-Operating Expenditure</u>		
701,811	Aquisitions of Assets	701,811	
336,292	Repayment of Loans	336,292	
138,415	Transfer to Reserves - S64 Developer Charges	158,415	
536,916	Transfer to Reserves - Renewal Reserves	536,916	
135,498	Water Pricing Increase @ 5%	135,498	
487,418	Estimated Budget Surplus/(Deficit)	767,751	
97,553	Transfer to Reserves - Plant	97,553	
54,199	Transfer to Reserves - DA	54,199	
2,488,102		1,750,332	2,788,435
(2,486,273)			(2,486,273)
	<u>Add Non-Operating Revenue</u>		
266,301	Book Value of Assets Sold	266,301	
-	Loan Funds	-	
85,000	Transfer from Reserves - Plant	85,000	
-	Transfer from Reserves - ELE	-	
285,811	Transfer from Reserves - Renewals	285,811	
637,112			637,112
(1,849,161)			(1,849,161)
	<u>Add Expenses not Involving Flow of Funds</u>		
1,849,161	Depreciation	1,849,161	
\$ -	Budget Result Surplus/(Deficit)		\$ -

Quarterly Budget Review Statement
for the period 01/10/13 to 31/12/13

Central Tablelands Water
Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2013
Income & Expenses - Water Fund

	Original Budget 2013/14	Approved Changes		Revised Budget 2013/14	Variations for this Dec Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by a QBRS	Sep QBRS					
Income								
Rates and Annual Charges	1,235,673			1,235,673			1,235,673	612,208
User Charges and Fees	3,300,442			3,300,442	477,800	1a	3,778,242	1,298,666
Interest and Investment Revenues	148,000	20,000		168,000			168,000	49,704
Other Revenues	346,832			346,832	6,571	1b	353,403	162,285
Grants & Contributions - Operating	53,707			53,707			53,707	28,994
Grants & Contributions - Capital	138,415	20,000		158,415			158,415	84,112
Net gain from disposal of assets	64,699			64,699			64,699	15,373
Total Income from Continuing Operations	5,287,768	-	40,000	5,327,768	484,371		5,812,139	2,251,342
Expenses								
Employee Costs	1,647,617			1,647,617	1,829	2a	1,649,446	778,348
Borrowing Costs	244,365			244,365			244,365	125,932
Materials & Contracts	790,159	25,000		815,159	118,000	2b	933,159	492,040
Depreciation	1,849,161			1,849,161			1,849,161	924,581
Legal Costs	8,000			8,000			8,000	-
Consultants	51,000			51,000			51,000	-
Other Expenses	695,637			695,637	79,209	2c	774,846	334,721
Interest & Investment Losses								
Net Loss from disposal of assets								
Total Expenses from Continuing Operations	5,285,939	-	25,000	5,310,939	199,038		5,509,977	2,655,622
Net Operating Result from Continuing Operations	1,829	-	15,000	16,829	285,333		302,162	(404,280)
Discontinued Operations								
Net Operating Result from All Operations	1,829	-	15,000	16,829	285,333		302,162	(404,280)
Net Operating Result before Capital Items	(136,566)	-	(5,000)	(141,566)	285,333		143,747	(488,392)

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31/12/12 and should be read in conjunction with the total QBRS report

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/10/13 to 31/12/13

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

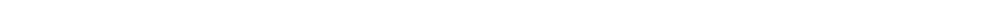
1(a) Water sales income for 2013/14 are estimated to increase by \$450,000 based on increased water consumption as a result of the continual dry and hot weather conditions in the County Council area. User Fees & Charges income is also estimated to increase by \$27,800 for Private Works (\$17,800), Section 603 Certificates (\$5,000) and Special Meter Readings & Disconnections (\$5,000).

1(b) Other Revenues are estimated to increase by \$6,571 for the remainder of the financial year as a result of additional rental income from the National Broadband Network (NBN) Co for the use of Council's reservoir at Carcoar and site access at Eugowra for aerial network reception.

2(a) An additional \$1,829 is estimated for Employee Costs for further staff training and professional development.

2(b) A further \$118,000(net) is estimated for Materials & Contracts for Private Works (\$18,000), Meter Reading (\$30,000), Blayney Filtration Plant chemical expenses (\$30,000), Carcoar Filtration Plant chemical expenses (\$30,000), Telemetry (\$20,000) and Depots (\$15,000). Reductions in the Materials & Contracts budget have been identified for Reticulation Mains (\$20,000) and Internal Audit (\$5,000).

2(c) An increase of \$79,209 is estimated for Other Expenses being for Pump Stations electricity (\$64,409) Carcoar Filtration Plant electricity (\$13,500) and staff uniforms (\$1,300). The estimated increase in electricity costs is attributed to the increased demand by consumers on the water supply network due to the continual hot dry conditions being experienced in the County Council area.



Quarterly Budget Review Statement
for the period 01/10/13 to 31/12/13

Central Tablelands Water

Capital Budget Review Statement

Budget review for the quarter ended 31 December 2013

Capital Budget - Water Fund

	Original Budget 2013/14	Approved Changes		Revised Budget 2013/14	Variations for this Dec Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by a QBRS	Sep QBRS					
Capital Expenditure								
New Assets								
- Plant & Equipment	416,000			416,000			416,000	103,860
- Land & Buildings								
- Office Equipment	10,000			10,000			10,000	7,957
Renewal Assets (Replacement)								
- Plant & Equipment	40,000			40,000			40,000	
- Land & Buildings	235,811			235,811			235,811	74,621
- Water Supply Network								
- Land & Buildings	336,292			336,292			336,292	164,397
Loan Repayments (Principal)								
Total Capital Expenditure	1,038,103	-	-	1,038,103	-		1,038,103	350,835
Capital Funding								
User Fees & Charges Funding								
Capital Grants & Contributions	336,292			336,292			336,292	164,397
Reserves:								
- External Restrictions/Reserves								
- Internal Restrictions/Reserves	370,811			370,811			370,811	82,578
New Loans								
Receipts from Sale of Assets								
- Plant & Equipment	331,000			331,000			331,000	106,621
- Land & Buildings								
Total Capital Funding	1,038,103	-	-	1,038,103	-		1,038,103	353,596
Net Capital Funding	-	-	-	-	-		-	2,761

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31/12/2012 and should be read in conjunction with the total QBRS report

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/10/13 to 31/12/13

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

03) LG Independent Review Panel Report (GR.LR.5)

(Tony Perry)

RECOMMENDATION:

1. That Council endorse the view of the General Manager that water County Council's should not be required to become subsidiaries of any proposed Regional Joint Organisation of Councils and support a joint submission to the Division of Local Government from the five water County Councils expressing this view.

REPORT

The reports of the Local Government Independent Review Panel (Panel) and the Local Government Acts Taskforce (Taskforce) were released by the Minister for Local Government on 8 January 2014. Copies of both reports were e-mailed to all councillors on that date with a note to advise the General Manager if a hard copy was required.

In his media release, Minister Don Page said that "*We made an election commitment of no forced amalgamations of council's and that commitment continues as we discuss the options proposed by the Panel. Some ideas in the reports will require careful consideration and development. We need to take time to get this right. The reports show quite clearly that local government is facing many challenges and that 'no change' is simply not an option if we want NSW to become No 1 again. However, this change needs to be developed in partnership with councils and their communities.*"

Minister Page said that both final reports were released for a period of comment until 7 March 2014 and that would help the NSW Government develop its response and give a final opportunity for councils and their communities to provide input on the way forward.

The final reports from the Panel and Taskforce are a significant milestone in the journey towards stronger, more sustainable local government and contain a series of recommendations for reform.

The NSW Government will consider the final reports over the coming months and prepare its response. Feedback provided by councils and community members in the current round of consultation will help to inform the response.

The Panel Chair, Professor Graham Sansom, stated that while the release of the Panel's final report marks the end of the Panel's review, it should be seen as the beginning of a series of changes that will take several years to complete.

The Panel outlined the following key proposals in their final report:

- Establishing legally binding ‘Joint Organisations’ (JO) of councils across most of NSW to maximise regional cooperation and resource-sharing, and to partner with State agencies in strategic planning and service delivery.
- Creating a broadly representative Far West Regional Authority to work alongside local government in addressing the special challenges facing the region.
- Providing options for new types of local government, including ‘Rural Councils’ in some sparsely populated areas and ‘Community Boards’ in large urban centres.
- A new framework for ‘fiscal responsibility’ in local government, including better medium-long term planning, improved asset and financial management, and bringing council audits under the oversight of the Auditor General.
- Additional measures to tackle the infrastructure backlog and improve service delivery, including service reviews, a state-wide borrowing facility for local government to cut the cost of loans, and re-distribution of available grant funding to areas of greatest need.
- Changes to the rating system, including replacement or streamlining of rate-pegging, to generate additional revenue where necessary and to ensure that the burden of rates is shared more equitably - especially by owners of expensive apartments.
- Re-definition of the roles of mayors and councillors and how they relate to senior management, and introduction of mandatory professional development for mayors, councillors and General Managers.
- Reshaping the governance of Sydney to manage growth and change more effectively in accordance with the Metropolitan Strategy, including *options* to reduce the total number of councils to around 15–18, to increase the capacity of local government to tackle major sub-regional projects, and for closer State-local government collaboration.
- Improving State-local government relations generally, especially in strategic planning and regional coordination, plus protection of democratic local government under the State Constitution.

One of the contentious issues in the Panel’s final report is the recommendation that existing County Councils should become subsidiary members of a ‘JO’ with existing administrative and operational staff becoming employees of the ‘JO’ under the Local Government Award.

The Panel recommends that *local councils would remain the core of the system: they would ‘own’ and resource JO’s in a similar way to ROC’s. Selected regional functions would be referred to the JO’s which would then work alongside their member councils in performing those tasks.* The General Manager cannot understand or see any logic in why County Councils should not be treated the same way as local councils and be

an equal member of the JO in a similar manner in which CTW is currently a member of Centroc.

Under section 11.3 of the Panel's report, it states that *the Panel believes that local government should retain its current responsibilities for water supply and sewerage and sees no case at present to require councils to transfer water and sewage assets to regional entities*. Based on that belief, it should be argued that CTW should not be required to become a subsidiary of the proposed JO.

The Panel state in their report that *they understand the concerns raised in relation to the model of a 'new look' County Councils proposed in their earlier Future Directions report. However, the panel remains supportive of the underlying concept of statutory regional entities established by individual proclamations that specify their area and functions, as well as various aspects of governance and operations*.

The General Manager is firmly of the view that water County Councils should not become subsidiaries of the proposed JO's but be an equal member of the JO as is proposed for GP councils. The five water county councils are all very successful and financially viable organisations operating under very high standards in the water industry.

The General Manager takes exception to the comment in the Panel's final report that incorporating County Councils into the proposed JO's *is an opportunity to address the concern expressed by a number of councils that the County Council which they are supposed to 'own' is now effectively beyond their control*. County Councils are completely autonomous local government councils constituted under the Local Government Act with their own constitution and were never *'supposed to be owned'* or *'under the control'* of their constituent councils.

The General Managers of Riverina Water, Goldenfields Water, Rous Water, Mid Coast Water and Central Tablelands Water all share the same view that County Councils should not be required to become subsidiaries of any proposed JO and are meeting on 15 February to consider preparing a joint submission to the Division of Local Government in response to the Panel's final report stating this view.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

04) Water Security - Central West NSW (WS.SP.4)

(Tony Perry)

RECOMMENDATION:

1. That Council forward letters to the Prime Minister, the Deputy Prime Minister and other relevant Ministers supporting the recent announcement by the Member for Calare, the Hon. John Cobb MP, that he is advocating the construction of a 90,000ML dam at the Needles Gap near Canowindra and that he has written to the Prime Minister and a number of Federal Ministers seeking their support for the initial funding of an estimated \$3 million to conduct a feasibility study, including environmental, geotechnical and preliminary design investigations.

REPORT

Council was advised at its meeting on 16 October 2013 that the Member for Calare, the Hon. John Cobb MP, had written to Council advising that should he be returned to represent Calare and be part of the new government, he would further discuss water security options for the region and relevant stakeholders. John Cobb's letter was in response to a letter from Council prior to the last Federal election seeking his support for increased water storage in the Central West region, in particular putting forward the options of an augmented Lake Rowlands or a new dam at the Needles on the Belubula River.

As Council is aware, NSW State Water identified 3 locations in NSW that were suitable for new water storages. One of these locations is the Needles Gap site on the Belubula River near Canowindra where it is proposed a 90,000/100,000 ML dam could be constructed. This was the site originally chosen in the 1960's for the construction of the current Carcoar dam which, following local political intervention, was constructed at its present site near Carcoar.

As previously reported to Council, in early 2013, three officers from State Water attended at CTW's office in Blayney to canvass whether the Needles proposal would be supported by Council. They indicated that, if the Needles dam was to be constructed, the current Carcoar dam, with a storage capacity of 35,800 ML, could be freed up from its existing irrigation requirements to become an urban water supply dam and, if linked with Lake Rowlands dam, could provide a total of 40,300 ML available for urban use. The General Manager indicated that such a proposal would be supported by Council and would negate the necessity to enlarge Lake Rowlands.

Subsequent to the visit by the officers from State Water, the General Manager has hosted 3 visits to the Needles site; the first visit in April last year was at the behest of Federal Member John Cobb MP who indicated that he would like to visit the Needles site in order to have an appreciation of the proposal. Needless to say, John Cobb, who has always been a great supporter of the Lake Rowlands enlargement proposal, was overwhelmed and impressed with the proposed site at the Needles.

On 19 December 2013, at John Cobb's request, the General Manager met with Mr Cobb in his Orange office to brief him on various issues on the Needles proposal. Mr Cobb particularly required the General Manager to supply him with information in regards to what advantages could be gained from the Needles proposal together with some technical details.

As well as preparing briefing notes for Mr Cobb, the General Manager sought some technical advice from consulting engineer Mr Rob Parker, an expert on dam engineering and who has provided Council with quality expertise over many years.

Mr Parker produced a very good conceptual report which the General Manager was able to provide to Mr Cobb together with his briefing notes.

On 14 January 2014, the General Manager had a further meeting with Mr Cobb in his Orange office and on this occasion Mr Amit Chanan, Executive Manager Operations NSW State Water, and Mr Steve Hamson, Regional Infrastructure Manager NSW State Water, were also in attendance. Mr Chanan commented that Rob Parker's report was a very good conceptual report.

At the meeting, Mr Cobb quizzed Mr Chanan on the estimated costs of the investigations and studies that would need to be completed on the proposed Needles site. Mr Chanan advised the estimated costs for a feasibility study, environmental, geotechnical and preliminary design investigations at \$3 million and that the work could be completed within two years. Following lengthy discussions and deliberation, Mr Cobb advised that he intended to hold a press conference to announce that he would be lobbying the Prime Minister, Deputy Prime Minister and other Parliamentary colleagues seeking support and funding for the initial \$3 million study costs.

The press conference was organised for Tuesday 21 January 2014 and was held on site at the Needles Gap location. In attendance, at Mr Cobb's invitation, were various sections of the media, the Mayors of Blayney, Cabonne, Orange and Bathurst, the Deputy Chairman of Central Tablelands Water and the GM's of CTW, Cabonne and Blayney.

Copies of John Cobb's Media Release, the General Manager's briefing notes and Rob Parker's conceptual report on the Needles proposal are attached.





BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 The Hon John Cobb media release 2 Pages
- 2 Rob Parker conceptual report 8 Pages
- 3 General Managers briefing notes 2 Pages



The Hon John Cobb MP

Federal Member for Calare

MEDIA RELEASE

Tuesday 21st January 2014

COBB PUSHES FOR NEW DAM PROJECT

Federal Member for Calare John Cobb has today called for the construction of a new dam in the central west, as the solution to the lack of water storage, and addressing job losses in our region.

Mr Cobb has proposed the construction of a 90,000ML dam at Needles Gap near Canowindra, and today called on the State and Federal governments to back the plan.

"We need this Needles Dam project now more than ever," Mr Cobb said.

"Recent announcements of job losses across our region, including at Electrolux in Orange and Simplot and EDI in Bathurst, and Coalpac and Centennial Coal in Lithgow, mean Calare needs a confidence boost.

"The local situation eroded further following last week's Energy Australia announcement of the virtual closure of its Wallerawang power plant by the end of March.

"This water storage solution will help combat these job losses."

The Needles Dam proposal would create approximately 150 jobs and take up to five years to plan and construct. When fully operational, it would provide greater water security to the whole region, including the Cowra and Grenfell local government areas.

Mr Cobb said, initially, \$3 million is needed for the Office of State Water to conduct a detailed feasibility study, including environmental, geotechnical and preliminary design investigations.

"I have written to the Prime Minister, as well as the Deputy Prime Minister and Ministers for Water & Environment and Industry seeking their support and the funding for this proposal," Mr Cobb said.

"Regional Australia has been the hardest hit by the soaring cost of electricity and the high Australian dollar. Calare, as a producer and exporter of energy, mining, forestry, agriculture, manufacturing and food processing, has been severely disadvantaged by the Carbon Tax and Renewable Energy Target and the subsequent closure of businesses in these industries.

"The Federal Government must recognise the critical situation our region now faces – Holden job losses of 1300 and 1600 in the major cities of Melbourne and Adelaide are significant. But relative to Calare's population, they are nowhere near as devastating as our 1100-plus job losses."

Mr Cobb said the Needles Dam would ensure growth in urban development as well as industry, and would not only invite new industry to the region, but encourage the expansion of existing industry. It could even generate more tourism.

"It is wonderful to have the Mayors of the most affected LGAs supporting the plan, as well as Central Tablelands Water. They all know this is a regional issue," Mr Cobb said.

"We now need leadership at all levels of government to make this proposal a reality for our region, starting with immediate funding for the feasibility study," he said.

Media contact: Kylie Neville 0438 300 101



The Hon John Cobb MP

Federal Member for Calare

MEDIA RELEASE

THE NEEDLES DAM PROJECT FACT SHEET

The proposed Needles Dam project:

- would be built at Needles Gap near Canowindra on a catchment area of 532km, with several creeks feeding into it;
- is identified by the State Government as the most urgent of three possible sites for a new dam in New South Wales, and one of 100 identified by the Federal Government;
- would create around 150 jobs and take five years to construct;
- would have a storage capacity of 90,000 – 100,000 megalitres;
- would provide greater water security to eight local government areas – Bathurst, Blayney, Orange, Cabonne, Cowra, Parkes, Forbes and Grenfell;
- would provide a high level of water security for the region's urban, irrigation and mining needs;
- would become part of an integrated water system with Lake Rowlands and Carcoar Dam providing more than 40,000ML of water for urban use.
Lake Rowlands Dam has a storage capacity of 4,500ML and is used for town water. Carcoar Dam has a storage capacity of 35,800ML and is used for irrigation.

Media contact: Kylie Neville 0438 300 101

**Rob Parker Engineering Pty. Ltd.**

ACN: 003 758 156

**Contractors
Civil & Structural Engineers
Project Managers***Head Office: Ramaling, Old Mandemar Road,
(P.O. Box 71), Berrima NSW Australia 2577
Phone: +61 2 4877 1320 • Fax: +61 2 4877 1180
E-mail: ramaling@ocenet.com.au*

Central Tablelands Water

31st December, 2013

30 Church Street

Blayney NSW 2799

Attention: Mr. Tony Perry

Dear Tony,

This letter constitutes a brief scoping study for a dam at the Needles on the Belubula River

The aim of this exercise is to:

1. Verify if a reservoir volume of approximately 90,000 megalitres looks realistic for a dam located at The Needles.
2. If so, how tall and long would it be?
3. How much area would it cover?
4. What would it look like?
5. How many jobs would it create?
6. What is its rough order of cost?
7. Are there any major obvious hurdles or issues?

1. Reservoir Volume, Dam Height and Area

To come up with an assessment of the volumes stored behind a dam at the Needles we went through the following exercise

Site location

The approximate coordinates of the dam at the centre of stream were chosen to be at the following location: Latitude '-33.57718916' and Longitude '148.856907499'. The area of the proposed dam reservoir was situated to the east of this location.

Sources consulted

The Department of Finance and Services 'Spatial Information eXchange'¹ was consulted. The online cartographic layer 'NSW Map: Topographic map of NSW showing roads, points of interest, localities, landform, drainage, cultural data, parks & forests, property boundaries and street address numbers' was used as the topographic base map.

Methodology

The contours posted on the online map were used as a guide to the topography of the site. These contours, which are posted at 20m intervals, were sufficient to derive estimates of the volume of the proposed dam at different elevations. The 'Area Tool' and the 'Distance Tool' calculators, provided on the website were used to digitise along the line of each separate contour to the east of the proposed dam location. The following contour levels were digitised: 380m, 400m, 420m and 440m. An approximate value for the elevation of the river at the base of the dam was calculated using a ratio of its relative position along the length of the watercourse between the 360m and 380m contours against the river's rise of 20m. The length of the river course upstream and downstream of the proposed dam and between the 360m and 380m contours was calculated by using the 'Distance tool'.

The resulting area and perimeter values were correlated to each selected contour level. The area data values were input into an Excel spreadsheet and were used to estimate the cubic volume of the proposed dam at each given contour level by using the 'End area method'.

Summary of Item 1

To achieve 90,000 megalitres of storage the dam crest would have a Full Storage level (FSL) of RL 421 and would coincide with a stream level of RL 372. The dam would therefore be 49 metres high. To this height we add the foundation excavation of say 5 to 10 metres. Assuming a roller compacted concrete dam was constructed the free board would be around 0.6 m to crest level. The dam wall height from foundation level would therefore be $49\text{m}+7.5\text{m}+0.6\text{m}=57.1\text{m}$.

Its reservoir would cover an area of 680 Ha at FSL as shown in Figure 3.

¹<http://maps.six.nsw.gov.au/>

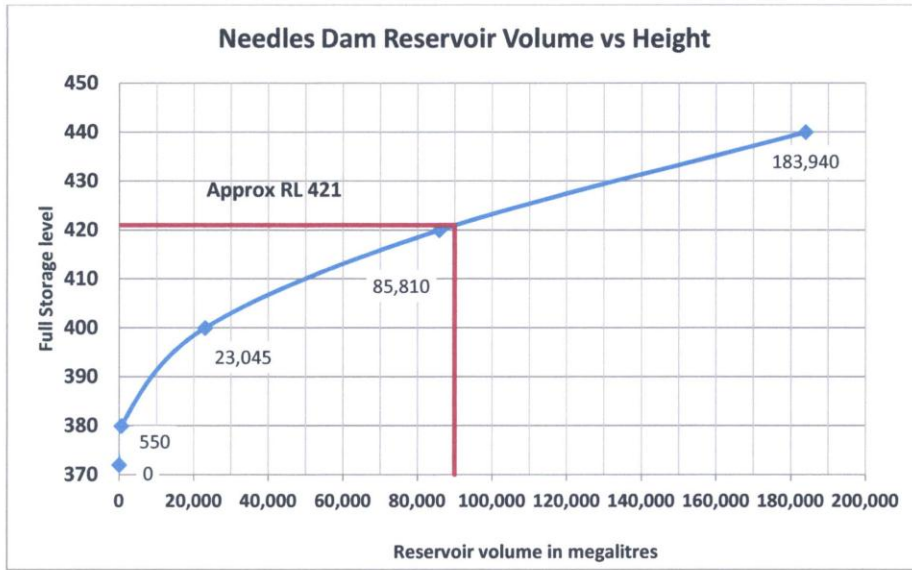


Figure 1 - Reservoir volumes in megalitres

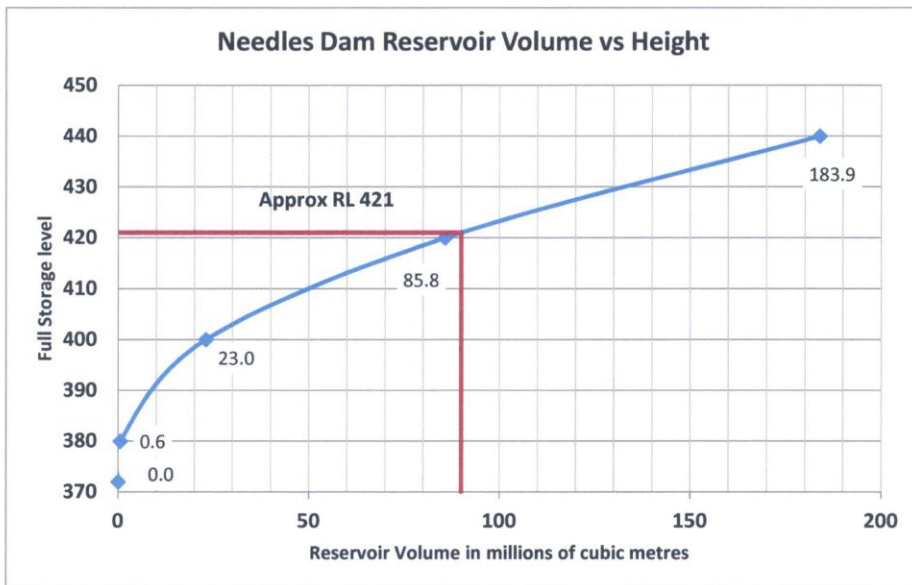


Figure 2 - Reservoir volumes in millions of cubic metres

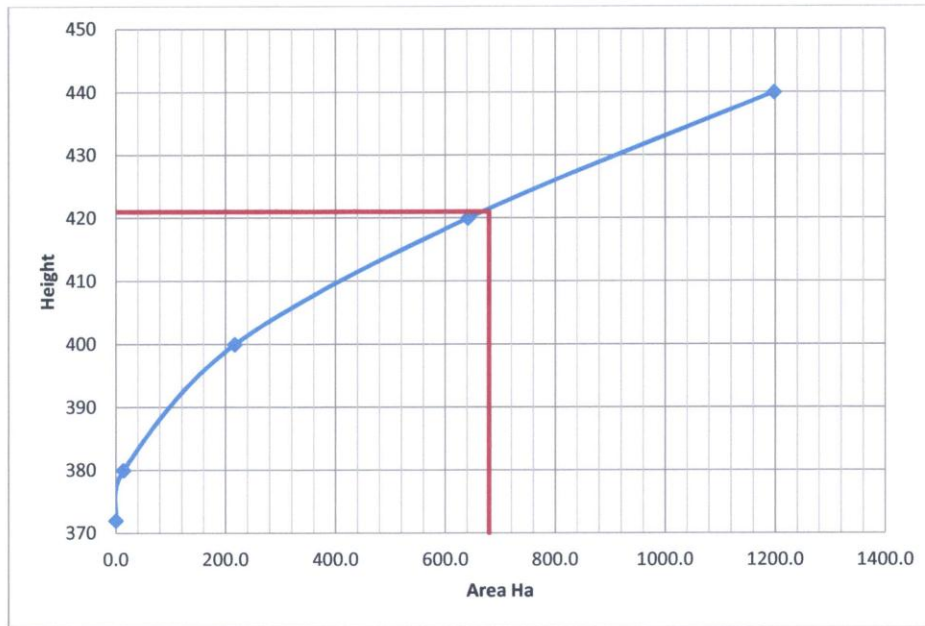


Figure 3 - Reservoir area vs. height (note RL 421)

2. What would it look like?

The following two figures show the valley with and without the dam wall in place.



Figure 4 - Proposed dam site looking west

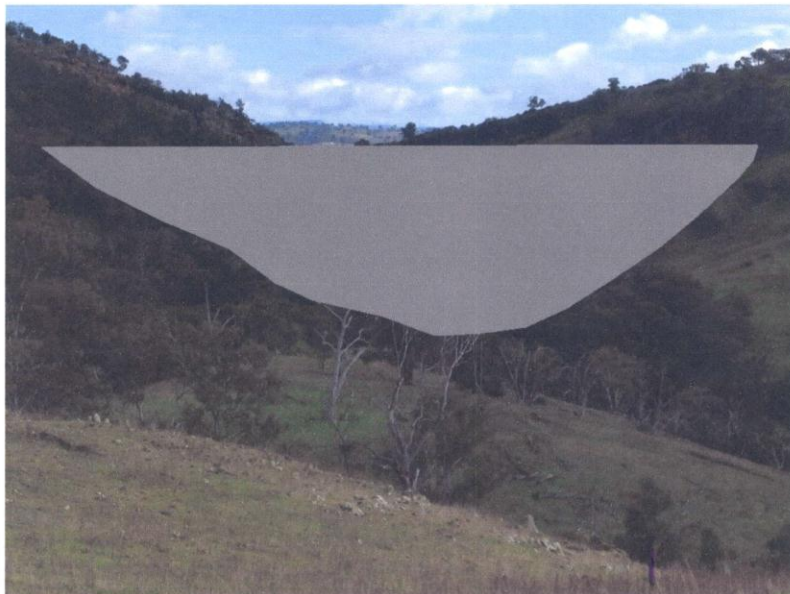


Figure 5 - Size of dam at the Needles



Figure 6 - Impact of reservoir on local properties and roads at the RL 420 contour

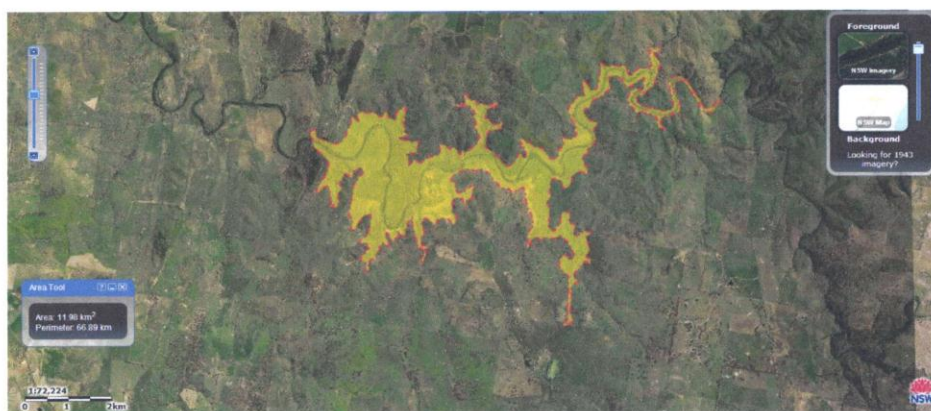


Figure 7 - Impact of reservoir with a reservoir at RL 440m

3. How many jobs?

If there was a will to build the dam it would be investigated and designed over a period of two years employing a team of dam engineers, drillers, geologists, hydrologists and environmental impact officers. This team would average around twenty in total.

The dam would take two and a half years to build if it was bid on a hard dollar basis. The site team would consist of:

- Twenty contractor's administrative personnel and engineering staff
- From forty up to eighty full time construction staff at peak turnover
- Client's supervisory staff of 10 to 12.

Therefore during peak turnover around 110 personnel would be employed.

4. How much would it cost?

In 2010 I provided CTW with a revised estimate for Coombing Falls dam of \$78.4 million for an RCC dam with 138,000 cubic metres of roller compacted concrete. The Needles will have around 250,000 cubic metres and so pro-rating the amount and adding 6% for cost escalation we get a rough cost of \$150 million.

This does not include the costs of land purchase for the new reservoir.

For our budgeting and concept we have concentrated on a roller compacted concrete dam.

This has been done because:

- The valley is quite narrow and there is not a lot of space to construct a bypass spillway for a clay cored earth dam or concrete faced rock fill.
- Roller compacted concrete is built quite quickly and has the least dam construction risk
- Sources of suitable raw materials are nearby.

Nothing rules out other types of dams at the site

5. Any major issues?

On the plus side:

1. The regional geological maps indicate the presence quite close by of potential basalt rock for concrete aggregate. Fortunately, during CTW's recent visit to the site a photo of one basalt containing formation was taken. This formation is only 1.6km from the dam site and could be readily mined for aggregate. Refer Figure 8.
2. Very few public roads are impacted upon. Please refer to Figure 6. Therefore no significant costs associated with bridges and road realignment will be incurred.
3. The actual reservoir volume may be significantly larger than 90,000 megalitres. It all depends on the available yield for the Belubula River. For example if the reservoir FSL was RL 440m or 20 m higher the storage would about double to 183,000 megalitres as shown in Figure 1.

On the down side;

1. The geology on this site is complex. It is underlain by large formations of up-thrusted hard sandstone which are clearly visible on site. The foundation may require significant shaping to support the dam and the permeability or leakiness of the

rock may be a factor. This will not stop a dam being built but it may introduce technical issues that marginally complicate matters.

2. The Cadia Gold mine tailings dams are just up-stream on a tributary, Cadiangullong Creek. Any breach or leak from these dams could have a significant impact on the Needles reservoir. A careful assessment of these tailings dams would need to be made to ensure they could not impact upon a dam at the Needles.



Figure 8 - Potential aggregate source

Conclusion

A dam at the Needles results in quite large reservoirs for the expenditure involved.

There is a low impact on adjoining roads and infrastructure. The site is quite narrow and at first impressions well suited to a dam being constructed at this location.

The site has ready availability of rock for dam building and a skilled workforce within the region.

Yours faithfully

Robert Parker M.I.E. Aust, M Eng Sci. (UNSW)

Rob Parker Engineering

The Needles Dam Proposal

Notes and Information

- State Water NSW has identified a location on the Belubula River called the Needles Gap close to Canowindra that is suitable for the construction of a 90ML to 100ML dam. The catchment area for this proposed dam has been estimated at 532km with a significant number of creeks feeding into it.
- The Needles Gap location was originally identified 40 years ago for the construction of the current Carcoar Dam but local politics placed it in the current location just north of Carcoar.
- Officers from State Water NSW have indicated that if the new dam proposal at the Needles Gap went ahead it would have an estimated storage capacity of 90,000ML and that the existing Carcoar Dam, with a storage capacity of 35,800ML, could be freed up from its existing irrigation requirements to become an urban water supply dam and, if linked with Lake Rowlands Dam, would provide a total of 40,300ML available for urban use. At a meeting in early 2013. The General Manager of Central Tablelands Water (CTW) communicated to the officers from State Water that CTW would support such a proposal as it would provide a high level of water security to the Central Tablelands and Central West of NSW, not only for town water supply but also for irrigation and mining prospects.
- Lake Rowlands and Carcoar dam can be easily linked as the main trunk main from Lake Rowlands to Blayney runs within 1 kilometre of the backwaters of Carcoar Dam or within 2 to 3 kilometres of the Carcoar Dam wall.
- In the Infrastructure NSW paper, titled State Infrastructure Strategy, it is stated that the Government has identified three suitable dam sites for urban and industrial demand in regional centres namely: Lostock Dam augmentation in the Hunter catchment, a second Fish River storage in the Macquarie catchment and a 'New Carcoar' dam in the Lachlan catchment (the Needles Gap proposal). The Strategy went on to say that these projects are yet to be appraised and considered for funding.
- Of these three possible new dam sites, the Fish River location has until recently had priority over the other two sites due to the significant water demands in the power stations operated by of Delta Electricity. However,

with the impending closure of Wallerawang power station, the existing water storages in the that area are now considered sufficient to meet ongoing requirements and it has been indicated that the Needles site on the Belubula River might now be elevated in priority.

- Carcoar Dam
 - Storage capacity 35,800 ML
 - Currently an irrigation dam
 - 6km north of Carcoar
 - Catchment 230 square kilometres
 - Height above sea level 720 metres at full supply level
- Lake Rowlands
 - Storage capacity 4,500 ML
 - Town water supply dam
 - Catchment 197 square kilometres
 - Height above sea level 877.82 metres at full supply level
- Orange – 863 metres above sea level
- Blayney – 850 metres above sea level
- Millthorpe – 965 metres above sea level
- Shadforth – 915 metres above sea level
- A combined Carcoar/Lake Rowlands water storage could provide water security to Orange, Cowra (there is already an emergency pipeline from CTW to Cowra) and the complete CTW network of towns and villages stretching from Millthorpe to Grenfell.
- CTW is of the view that to transfer water from Carcoar Dam to Orange a pipeline of approximately 30 km in length could be constructed from Carcoar Dam to Shadforth where the water could be fed into Summer Hill Creek which in turn feeds into Suma Park Dam, or preferably extend the pipeline to Suma Park Dam.
- The Needles Gap Dam of approximately 90ML to 100ML would provide water security for irrigation down in the Belubula Valley and flow onwards to the Lachlan River and supplement flows from Wyangla Dam which in turn would provide water security in the Lachlan Valley to the Shires of Cowra, Forbes and Lachlan.

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

(Donna Galvin)

RECOMMENDATION:

1. That the information be noted.

REPORT

As this is my first report for 2014, I would like to wish everyone all the best of the year ahead, which I am sure will be a challenging one for the Alliance.

SHARED SERVICES PROJECT : (Cabonne, Blayney and CTW)

Since my report in December, the final report from the Independent Local Government Review Panel has been released. I am sure that Councillors will have received or accessed a copy of this report.

From the Alliance perspective around the Shared Services Project, the final recommendations are still supportive of the concept of developing a shared entity for the delivery of a range of services. The key message that “no change is not acceptable” was continued through the report and it is still very clear that councils are expected to take up opportunities to work collaboratively and innovatively.

The Shared Services project has moved into a new phase with the engagement of KPMG consulting firm to work with us on the development of the framework and methodology for the shared entity. There are three steps in this body of work:

Step 1: Development of Assessment Methodology

Identify and define a methodology to review both existing and potential future council services or functions (e.g. back-of-house) that could be delivered by a Shared Services entity.

The methodology would consider but not limited to:

- Relevance of the service/function to the member organisations and other councils
- Financial gains to be achieved through shared delivery
- Human Resources required to provide the service or function and any potential industrial implications
- Efficiency gains to be delivered through shared service delivery
- Risk Analysis on proposed options
- Capacity improvement to the member councils of providing the shared service
- Asset consolidation/reduction (e.g. shared IT & communications infrastructure)
- Community and geographic considerations

Step 2: Identify functions suitable for delivery through shared services

Using the agreed methodology, undertake a review of shared services delivered by current member councils so as to identify those functions suitable for delivery on a shared basis.

It is anticipated that the Shared Service entity will grow and expand in service delivery over the short, medium and longer terms.

This Step will include:

- Identifying the functions or services to be transitioned with each timeframe
- Determination of the implementation timeframes (nominally short, medium and long-term)
- a gap analysis to determine what other functions or services currently not provided by the member councils, which may be cost effectively delivered through a shared arrangement to the member councils and to other councils on a fee-for-service arrangement
- Agreement on how service level agreements would be struck with member councils and other councils (customers)
- An accepted formula for the calculation of fee for services (both internally to member councils and other customers)
- Agreeing on general principles relating to the operation of the entity (in consideration of the outcomes of the other scope of work to determine the legal status of the entity and the governance and operational management of the entity)

Step 3: Development of a Business Case

Taking the results of Steps 1 and 2, develop a business case to be considered by the member Councils, outlining the risks, benefits and costs associated with establishing the shared service entity and the transition of functions in the short, medium and long terms.

This will include, but not limited to:

- Identifying the financial benefit, risks and costs associated with each implementation phase
- Key milestones
- Advice on how service level agreements would be struck with member councils and potential other councils (customers) and how the fee for services would be calculated

The more detailed and time-consuming work would be in Stage 3 and at this point Councils will make a decision about moving to Step 3 on completion of the first two steps. We remain hopeful that we can try to secure support funding from the State Government for this Phase of the project as it is a large cost.

As discussed in my presentation to Councils in December, Councils should be considering allocating funds in the 2014/15 budgets for change management and to have funds available to support projects such as this shared service initiative.

Councils in the wider Central West Region are now also starting to talk about shared services and opportunities to share and this will be discussed at Centroc level. There is no doubt that in our region the Alliance Project and member councils are well progressed in the development of a model.

The Alliance will prepare a response to the final recommendations from the Panel, which is due on 7 March 2014.

WBC Board Meeting:

The first meeting of the WBC Board will be held on **19 February in Wellington**. This will be a good chance for the member councils to consider the priorities and projects for 2014. All Councillors are invited to attend the meeting.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

06) Councillor Expenses and Facilities Policy (CM.PO.1)

(Tony Perry)

RECOMMENDATION:

1. That, following the statutory period of public display. Council adopt the draft Councillor Expenses and Facilities Policies as endorsed at the December 2013 Council meeting.

REPORT

Following a report from the General Manager to the December 2013 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 February 2014 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

07) Lake Rowlands Dam Upgrade (WS.SP.4)

(Tony Perry)

RECOMMENDATION:

1. That a Lake Rowlands upgrade program, as required by the NSW Dam Safety Committee, be considered in line with the annual budget considerations at the April 2014 Council meeting.

REPORT

The General Manager presented a report to the June 2013 Council meeting in which he outlined the results of a Lake Rowlands Safety Upgrade Options Study, prepared by consultants GHD, to upgrade Lake Rowlands Dam in order to comply with the requirements of the NSW Dam Safety Committee (DSC) that the dam can withstand a 1 in 100,000 year flood event.

In his report, the General Manager advised as follows:

“GHD have now completed the study and the draft report has been submitted to Council with a number of options, namely:

<i>Option 1A</i>	<i>Vertical Sand Filter (only relevant as a first stage of a staged remediation)</i>	<i>\$634,070</i>
<i>Option 1B</i>	<i>Vertical Reinforced Concrete Wall embedded in main embankment (will pass a 1:100,000 AEP flood, but no freeboard above the flood level is provided)</i>	<i>\$1,600,320</i>
<i>Option 2</i>	<i>Raise Embankment 1.83m to pass 1:100,000 AEP flood</i>	<i>\$4,224,050</i>
<i>Option 3</i>	<i>Infill Auxiliary Spillway and Raise Embankment 2.68m to pass 1:100,000 AEP flood</i>	<i>\$6,333,480</i>
<i>Option 4</i>	<i>Infill Auxiliary Spillway, combination of embankment raise and 1.4m Parapet Wall to achieve a total crest raise of 2.68m to pass 1:100,000 AEP flood</i>	<i>\$5,513,650</i>

The GHD options study now needs to be submitted to the NSW Dam Safety Committee (DSC) for their consideration and direction. The DSC has requested that Council nominate its preferred option when submitting the study.

As previously indicated to Council, the General Manager has been advised by the NSW Office of Water that, whilst the upgrade of Lake Rowlands qualifies for 50% subsidy funding under the guidelines of the Country Towns Water Supply and Sewerage Program (CTWS&S), any application for subsidy would be refused because the CTWS&S Program is now closed and further funding of the Program will not be considered by the State Government until at least 2017. So unless Council can persuade the DSC to delay any requirement to upgrade Lake Rowlands until at least 2017, Council will need to fund the cost of the upgrade from current reserves.

Neither the General Manager nor the Manager of Technical and Operational Services are qualified to recommend a preferred option from the above detailed list and, accordingly, the General Manager is seeking a peer review of the study in order to formulate a preferred option to recommend to the DSC. The General Manager has approached Mr Rob Parker of Rob Parker Engineering P/L, a well-qualified expert on dam building and design, and Mr Paul Heinrichs, a dam engineer who previously headed up the dam safety inspection department with the NSW Office of Water.

Both of these gentlemen are well known to management and Rob Parker carried out the foundation investigation study for the site of the proposed new Lake Rowlands Dam in 1998. A decision on who will carry out the review will be made on receipt of their respective fee proposals. The cost should be able to be met from within the current budget.

As mentioned above, it will be the intention of the General Manager to seek a deferral of any required upgrade to Lake Rowlands until at least 2017/18 when new funding of the CTWS&S program will be considered. The General Manager will argue that, as the DSC advised Council a couple of years ago that they would be prepared to defer any required upgrade for ten (10) years if a plan of action showing a new dam would be built within that time frame, it should automatically follow that a deferral of 4 to 5 years should be approved.”

Following consideration of the General Manager’s report to the June 2013 meeting, Council resolved as follows:

“That the Lake Rowlands Safety Upgrade Options Study, prepared by GHD, be received and, following receipt of a peer review, be submitted to the NSW Dam Safety Committee with a recommended option and seeking deferral of any required upgrade until at least 2017/2018.”

Subsequent to the above resolution, the General Manager appointed Mr Rob Parker to conduct the peer-review of the GHD options study.

After considerable deliberation with GHD and Mr Parker, the General Manager submitted the Lake Rowlands Safety Upgrade Options Study to the DSC on 5 September 2013 with the recommendation of option 1b estimated at \$1,600,320.

On 25 October 2013, the DSC advised Council that it endorsed the options study and its recommendations. It also noted that Council was recommending option 1b and that this option was in line with the DSC's risk based approach. Council was further requested to submit an upgrading program within 6 months to implement option 1b.

In accordance with Council's above resolution, the General Manager wrote to the DSC requesting deferral of the required upgrade works until at least 2017 when hopefully the CTWS&S program will be reopened and subsidy funding for Lake Rowlands would be available. The General Manager based his request on a previous letter from the DSC, dated 17 March 2011, in which council was advised that upgrade works on Lake Rowlands could be deferred for a period of 10 years if a new dam program identifies construction to be completed in that timeframe.

The General Manager is pleased to report that the DSC has replied to the General Manager's request advising that the Committee concurs with Council's proposal to defer the upgrade works for the dam until 2017. The DSC further advised that the upgrade works are to be completed by March 2021, as stated in the DSC's letter of 17 March 2011. Council is requested to submit a program within 6 months to ensure the upgrade is completed by March 2021.

The DSC noted Council's funding constraints but pointed out that its prime responsibility is to ensure that an acceptable level of safety is provided to the downstream population in a timely manner.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 GM letter to Dam Safety Committee - September 2013 1 Page
- 2 Dam Safety Committee letter - October 2013 1 Page
- 3 GM Letter to Dam Safety Committee - November 2013 1 Page
- 4 Dam Safety Committee letter - December 2013 1 Page



Central Tablelands *Water*

Our Reference: AP:ws.sp.4

Contact: Tony Perry

5 September 2013

The Executive Engineer
NSW Dam Safety Committee
PO Box 3720
PARRAMATTA NSW 2124

Dear Sir,

Re: Lake Rowlands Dam – Safety Upgrade Options Study

Further to the submission of the Lake Rowlands Societal Risk Assessment Report to the NSW Dam Safety Committee (DSC) on 7 February 2011 and the subsequent reply from the DSC on 17 March 2011, please find enclosed the Lake Rowlands Safety Upgrade Options Study prepared by engineering consultants GHD.

Following considerable deliberation with GHD and another independent consultant engineer with dam expertise, Council is recommending Option 1b in the GHD report.

As a flood absorption measure and to protect the piered pipeline below the dam wall, Council operates Lake Rowlands Dam at a reduced level through the normal wet periods of June to October, which is normally between 80% and 90%, and Council intends to continue with this operation.

Yours faithfully,

A. Perry
General Manager

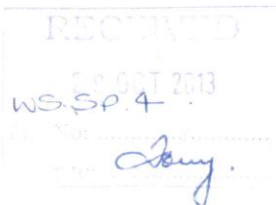


Dams Safety Committee

ABN 55 079 703 705

25 October, 2013

General Manager
Central Tablelands Water
PO Box 61
Blayney NSW 2799
Mr A. Perry



Our ref: Lakerowlan
Your ref: AP:ws.sp.4

Dear Tony,

Re: Lake Rowlands Dam – Safety Upgrade Options Study

The NSW Dams Safety Committee (DSC) wishes to thank Central Tablelands Water for its letter dated 5th September 2013 regarding Lake Rowlands Dam, and the enclosed Lake Rowlands Dam Safety Upgrade Options Study (August 2013).

The DSC at its October 2013 meeting endorsed the study and its recommendations.

It is noted that Central Tablelands Water's letter states it is recommending Option 1B. The DSC advises that this option is in line with the DSC's risk based approach.

Please submit an upgrading program within 6 months to implement upgrading Option 1B.

Your continuing cooperation is appreciated. If there are any queries in regard to the above please do not hesitate to contact the undersigned.

Yours sincerely,


for S. Knight
Executive Engineer

U:\MK\Letter\Lake Rowlands 7.doc
Postal: NSW Dams Safety Committee
PO Box 3720
Parramatta NSW 2124
Australia

Address: Level 3
10 Valentine Avenue
Parramatta NSW 2150
Australia

Phone: +61 (02) 9895 7363
Fax: +61 (02) 9895 7354
http: www.damsafety.nsw.gov.au
email: dsc@damsafety.nsw.gov.au

Page 1 of 1





Central Tablelands Water

Our Reference: AP:ws.sp.4

Contact: Tony Perry

12 November 2013

The Executive Engineer
NSW Dam Safety Committee
PO Box 3720
PARRAMATTA NSW 2124

Dear Sir

Re: Lake Rowlands Dam – Safety Upgrade Options Study

Council refers to your letter dated 25 October 2013 in which Council is advised that Option 1B of the Lake Rowlands Dam Safety Upgrade Options Study (August 2013) *is in line with the DSC's risk based approach* and Council is asked to submit an upgrading program within 6 months to implement this Option.

Council also refers to the DSC letter, dated 17 March 2011 (see attached), in which Council is advised that upgrade works on Lake Rowlands would be required if a proposed new dam downstream is not constructed by March 2021, i.e. 10 years from the date of the letter.

As the March 2011 letter implies that the upgrade of Lake Rowlands could be deferred for 10 years if a new dam program identifies construction to be completed in that timeframe, Council is of the opinion, and seeks the DSC concurrence, that the upgrade of Lake Rowlands can be deferred until at least 2017 when the NSW Office of Water (NOW) will be deciding as to whether to re-open the Country Towns Water and Sewerage Program (CTWSSP) which is currently closed and no further applications for funding are being accepted. Funding of already accepted and approved works will continue until 2017.

Under the CTWSSP, dam upgrades qualified for 50% subsidies and it is possible that Lake Rowlands could receive funding under this program if the NSW Government approves new funding for the program in 2017. Retrospective funding will not be considered for completed works.

Council seeks your concurrence that upgrade works on Lake Rowlands can be deferred until 2017 pending the outcome of the review of the CTWSSP by the NOW.

Yours faithfully,

A. Perry
General Manager



Dams Safety Committee

ABN 55 079 703 705

11 December, 2013



General Manager
Central Tablelands Water
PO Box 61
Blayney NSW 2799
Mr A. Perry

Our ref: Lakerowlan
Your ref: AP:ws.sp.4

Dear Tony,

Re: Lake Rowlands Dam – Safety Upgrade Program

The NSW Dams Safety Committee (DSC) wishes to thank Central Tablelands Water for its letter dated 12th November 2013 regarding Lake Rowlands Dam.

The DSC at its December 2013 meeting concurred with Central Tablelands Water's proposal to defer the upgrade works for the dam until 2017. Please note that this is in line with the DSC's 'Medium-term' timeframe for progressive improvement, as stated in Table 2 of Guidance Sheet DSC1B (see DSC's website: www.damsafety.nsw.gov.au). The intent of Table 2 is to ensure that the risk imposed on the residents downstream of the dam is limited to a period of no more than 10 years.

The upgrading is to be completed by March 2021, as stated in DSC's letter of 17th March 2011.

Please submit a program within 6 months to ensure the upgrade is completed by March 2021.

The DSC notes Central Tablelands Water's funding constraints. However, the DSC's prime responsibility is to ensure that an acceptable level of safety is provided to the downstream population in a timely manner.

Your continuing cooperation is appreciated. If there are any queries in regard to the above please do not hesitate to contact the undersigned.

Yours sincerely,


for S. Knight/
Executive Engineer

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email: dsc@damsafety.nsw.gov.au

Page 1 of 1



08) Maintenance of Council's Systems (WS.MO.4)

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT*a) Meter Reading*

The third meter read for the 2013/2014 financial year commenced in Quandialla on the 14th January 2014, and was completed on the 30th January 2014 with Cowra Shire Rurals.

b) Meter Replacement/Service Replacement Program

Council staff replaced two full services and forty five partial during the past two months.

c) Valve Replacement

Two new 50mm S/S ball valves were replaced on Trunk Main 'V' Canowindra.

d) Pump Station Maintenance

New seals and bearings have been installed in pumps at Cargo Pump Station.

A new pump has been installed in the air conditioning unit at McDonalds Lane on Trunk Main 'K', along with new filters at McDonalds Lane, Gooloogong and Quandialla.

e) Hydrant and Valve Maintenance

Hydrant and valve maintenance was carried out in the following towns over the past two months: Blayney, Canowindra, Grenfell and Lyndhurst.

f) Sludge Lagoons

Four sludge lagoons were cleaned and placed back into operation at Carcoar Filtration Plant.

g) Trunk Main Maintenance

New fence markers have been placed on Trunk Main 'X' Gooloogong to Eugowra, rural systems of Trajere and Pyes Gap on the same system.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

09) Performance of Council's Systems (WS.MO.4)

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT

h) Main breaks

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

Location		Date	Size	Comment
Carcoar	Icely Street	25.01.14	100mm	DNR
Mandurama	Silver Street	20.01.14	100mm	Split Length
	Trunk Main 'P'	17.01.14	100mm	DNR
Moorbel	Trunk Main 'V'	12.12.13	200mm	Excavator
South Canowindra	Newton Street	16.12.13	100mm	DNR
Manildra	Orange Street	28.12.13	100mm	Tree Roots
Rural Scheme	North Canowindra	09.12.13	80mm	DNR
		10.12.13	63mm	Poly
		13.12.13	100mm	DNR
		06.12.13	100mm	Plow
Trunk Main 'C'	Limestone Creek	28.01.14	225mm	Weld

i) Reservoir Levels

Reservoir levels have fluctuated between 50% and 100% of capacity.

j) Service Complaints and Requests

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

Town and Complain/Request	Count of Service
BLAYNEY	3
LEAKING METER	1
LEAKING SERVICE	1
METER NOT SHUTTING OFF	1
CANOWINDRA	9
BURST METER	1
CUSTOMER DAMAGED SERVICE	1
LEAKING METER	2

Town and Complain/Request	Count of Service
MAIN BREAK	3
NO WATER COMPLAINT	1
STOP VALVE FAILURE	1
CARCOAR	1
LEAKING METER	1
CARGO	1
HYDRANT LEAKING	1
EUGOWRA	4
LEAKING METER	1
LEAKING SERVICE	1
METER NOT SHUTTING OFF	1
NO WATER COMPLAINT	1
GRENFELL	2
DIRTY WATER COMPLAINT	1
LEAKING SERVICE	1
LYNDHURST	1
LEAKING METER	1
MANDURAMA	2
LEAKING SERVICE	1
NO WATER COMPLAINT	1
MILLTHORPE	3
HYDRANT LEAKING	1
LEAKING SERVICE	1
PATHCOCK FAILURE	1
QUANDIALLA	1
LEAKING SERVICE	1
Grand Total	27

k) Lake Rowlands

The level of Lake Rowlands has decreased from 82% to its present level of 66% as at 31st January 2014.

l) New Water Services

During the past two months there have been three new water services connected to Councils mains:

- 1 x 20mm residential connection at Millthorpe
- 1 x 20mm residential connection at Cudal
- 1 x 20mm residential connection at Canowindra

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

10) Questions on Notice

(Tony Perry)

No questions on notice were received.

ATTACHMENTS

Nil

11) General Manager – Replacement Strategy (GO.CO.4)

(Tony Perry)

RECOMMENDATION:

1. That, as this matter deals with items that are subject to the affairs of an individual, Council consider it in Committee of the Whole and that in terms of Section 10A (2) of the Local Government Act, the press and the public be excluded from the meeting of the Committee of the Whole.

ATTACHMENTS

Nil

12) Proceed to Committee of the Whole

(Tony Perry)

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

13) Report of the Committee of the Whole

(Tony Perry)

RECOMMENDATION:

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

ATTACHMENTS

Nil