

CENTRAL TABLELANDS Water



Business Paper

Ordinary Meeting of Central Tablelands Water

10th June 2015

Canowindra



5 June 2015

Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at the The Old Vic Inn, Canowindra on Wednesday, 10 June 2015 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 08.04.15
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 – 12th August 2015 - Grenfell

Yours faithfully

G. Rhodes
General Manager

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HELD ON WEDNESDAY 10 JUNE 2015

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01) Financial Matters (FM.BA.1)

(Raelene Mulligan)

RECOMMENDATION:

1. That the information be noted.

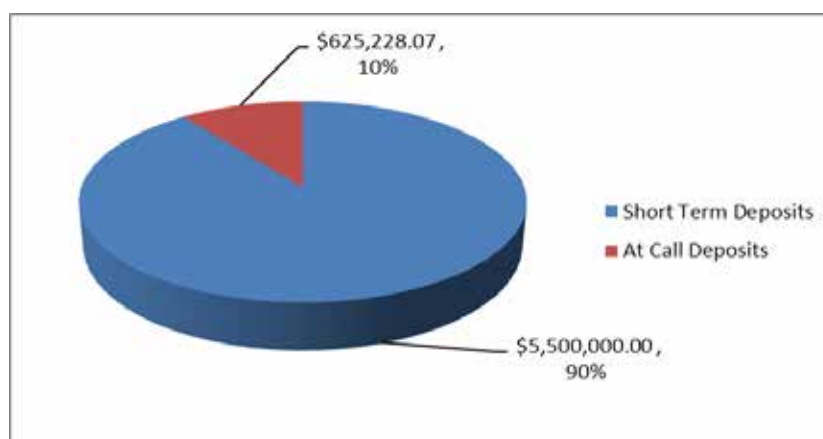
REPORT

Cash and Investments

The below investment summary represents Councils total investments as at 30th April 2015 in accordance with clause 212 of the Local Government (General) Regulation 2005.

		Term (Days)	Rate	Maturity Date	% of Portfolio
Short Term Deposits	\$ 5,500,000.00				89.79%
ING Direct - Curve Securities	\$ 500,000.00	182	3.57%	26/05/2015	8.16%
ING Direct - RIMSEC	\$ 500,000.00	182	3.52%	17/06/2015	8.16%
NAB Term Deposit - NAB Orange	\$ 500,000.00	182	3.45%	23/06/2015	8.16%
Reliance Credit Union	\$ 500,000.00	180	3.45%	2/08/2015	8.16%
Reliance Credit Union	\$ 500,000.00	180	3.20%	25/08/2015	8.16%
Reliance Credit Union	\$ 500,000.00	180	3.15%	12/09/2015	8.16%
Reliance Credit Union	\$ 500,000.00	180	3.15%	21/09/2015	8.16%
ING Direct - Curve Securities	\$ 500,000.00	182	3.04%	8/09/2015	8.16%
ING Direct - RIMSEC	\$ 500,000.00	188	3.02%	16/09/2015	8.16%
NAB Term Deposit - NAB Orange	\$ 500,000.00	180	2.90%	23/10/2015	8.16%
NAB Term Deposit - Curve Securities	\$ 500,000.00	182	2.90%	24/11/2015	8.16%
CDO					
Floating Rate CDO (Parkes AA-) (written off 2012/2013 subject to legal proceedings)	\$ 300,000.00			N/A	
At Call Accounts	\$ 625,228.07				10.21%
Commonwealth Bank Cheque Account	\$ 101,202.26	At Call	2.10%	N/A	
Commonwealth Bank - BOS Accounts	\$ 524,002.55	At Call	2.00%	N/A	
Reliance Credit Union - Cheque Account	\$ 23.26	At Call	2.00%	N/A	
Total Value of Funds	\$ 6,125,228.07				100%

Cash and Investments By Type



Bank Reconciliation as at 30th April 2015

Balance as per Bank Statement	\$ 625,228.07
<u>Add:</u> Outstanding deposits	\$ -
	<u>\$ 625,228.07</u>
<u>Less:</u> Outstanding Cheques	\$ 993.05
<u>Less:</u> Deposits not processed	\$ 3,761.00
	<u>\$ 620,474.02</u>
Balance as per Cash Book 30 th April 2015	<u>\$ 620,474.02</u>

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



Raelene Mulligan
Director Finance & Corporate Services

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

02) Budget Review Statement - 31st March 2015 (FM.FR.1)

(Raelene Mulligan)

RECOMMENDATION:

1. That the budget review statement for the quarter ended 31st March 2015 be accepted, and the variations therein be adopted.

REPORT

The Quarterly Budget Review (QBR) for the period ended 31 March 2015 is submitted for examination by Council in accordance with clause 203 of the Local Government (General) Regulation 2005.

It is estimated that the original forecast operating budget deficit for 2014/2015 of \$37,670 is now estimated to have a significant increase, with the final operating result for the year estimated to result in a deficit of \$212,852.

This difference of \$175,182 against the original operating budget estimate is mainly attributed the sale of Bogolong Dam to Weddin Shire Council, for a net loss of \$169,182. The asset was disposed of as per AASB 116.71.

The major variations to the operational budget and capital budget are detailed in the March 2015 QBR, and are summarised as attached.

The overall cash surplus of \$620,562 as originally estimated for 2014/2015 has now been revised to a surplus of \$445,380 which, as per policy, will be transferred to reserves.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 Quarterly Budget Review Statement - 31st March 2015 7 Pages

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/01/15 to 31/03/15

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Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/01/15 to 31/03/15

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 31/03/15 indicates that Council's projected financial position at 30/6/15 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed: 

Date: 1/06/2015

Raelene Mulligan
Responsible Accounting Officer

Budget Review Statement as at 31st March 2015

Council's Revised Income and Expenditure for the year 2014/2015

Original Budget	<u>Operating Revenue</u>		
1,207,290	Availability Charges	1,231,290	
3,664,117	Water Charges	3,684,617	
213,000	Interest	202,000	
367,650	Other Revenues	359,650	
55,392	Grants & Subsidies	55,392	
142,135	Developer and Capital Contributions	142,135	
51,700	Gains on Disposal of Assets	51,700	
5,701,284			5,726,784
	<u>Operating Expenses</u>		
1,475,013	Employee Costs	1,433,013	
221,653	Borrowing Costs	221,653	
1,123,039	Materials & Contracts	1,206,539	
8,000	Legal Costs	4,000	
50,000	Consultants	76,000	
980,105	Other Expenses	948,105	
0	Profit/Loss on Sale of Assets	169,182	
1,881,144	Depreciation - System Assets	1,881,144	
5,738,954			5,939,636
(37,670)	<u>Operating Result for Period</u>	Surplus/(Deficit)	(212,852)
	<u>Less Non-Operating Expenditure</u>		
2,132,046	Aquisitions of Assets	1,408,846	
359,004	Repayment of Loans	359,004	
142,135	Transfer to Reserves - S64 Developer Charges	142,135	
565,916	Transfer to Reserves - Renewal Reserves	565,916	
58,314	Water Pricing Increase @ 5%	58,314	
620,562	Estimated Budget Surplus/(Deficit)	445,380	
93,515	Transfer to Reserves - Plant	93,515	
58,314	Transfer to Reserves - DA	58,314	
4,029,806		1,363,574	3,131,424
(4,067,476)			(3,344,276)
	<u>Add Non-Operating Revenue</u>		
273,300	Book Value of Assets Sold	273,300	
-	Loan Funds	-	
82,000	Transfer from Reserves - Plant	82,000	
105,986	Transfer from Reserves - ELE	105,986	
1,725,046	Transfer from Reserves - Renewals	1,001,846	
2,186,332		1,463,132	1,463,132
(1,881,144)			(1,881,144)
	<u>Add Expenses not Involving Flow of Funds</u>		
1,881,144	Depreciation		1,881,144
\$ -	Budget Result Surplus/(Deficit)		\$ (0)

Quarterly Budget Review Statement
for the period 01/01/15 to 31/03/15

Central Tablelands Water
Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 March 2015
Income & Expenses - Water Fund

	Original Budget 2014/15	Approved Changes		Revised Budget 2014/15	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by a QBRS	Sep QBRS					
Income								
Rates and Annual Charges	1,207,290			1,207,290	24,000	1a	1,231,290	905,557
User Charges and Fees	3,664,117		15,000	3,679,117	5,500	1b	3,684,617	2,593,077
Interest and Investment Revenues	213,000			213,000	(11,000)	1c	202,000	120,532
Other Revenues	367,650			367,650	(8,000)	1d	359,650	257,892
Grants & Contributions - Operating	55,392			55,392			55,392	47,121
Grants & Contributions - Capital	142,135		40,000	182,135	(40,000)	1e	142,135	117,735
Net gain from disposal of assets	51,700			51,700			51,700	18,612
Share of Interests in Joint Ventures								
Total Income from Continuing Operations	5,701,284	-	-	5,756,284	(29,500)		5,726,784	4,060,526
Expenses								
Employee Costs	1,475,013			1,483,013	(50,000)	2a	1,433,013	1,268,134
Borrowing Costs	221,653			221,653			221,653	168,610
Materials & Contracts	1,123,039		18,500	1,141,539	65,000	2b	1,206,539	559,807
Depreciation	1,881,144			1,881,144			1,881,144	1,425,741
Legal Costs	8,000		(4,000)	4,000			4,000	2,139
Consultants	50,000		26,000	76,000			76,000	54,528
Other Expenses	980,105	7,500	10,000	947,605	500	2c	948,105	512,730
Interest & Investment Losses								
Net Loss from disposal of assets					169,182	2d	169,182	169,182
Total Expenses from Continuing Operations	5,738,954	7,500	10,000	5,754,954	184,682		5,939,636	4,160,872
Net Operating Result from Continuing Operations	(37,670)	(7,500)	(10,000)	1,330	(214,182)		(212,852)	(100,346)
Discontinued Operations								
Net Operating Result from All Operations	(37,670)	(7,500)	(10,000)	1,330	(214,182)		(212,852)	(100,346)
Net Operating Result before Capital Items	(179,805)	(7,500)	(10,000)	(180,805)	(174,182)		(354,987)	(218,082)

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31/03/2015 and should be read in conjunction with the total QBRS report.

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/01/15 to 31/03/15

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

1(a)	Availability charges are estimated to increase (\$24,000)
1(b)	User Fees & Charges income is estimated to increase overall by \$5,500, being for sale of water to industrial users (\$20,200), Section 603 certificate fee income (\$1,300), and a reduction to special water meter readings fees (\$6,000) and private works income (\$10,000)
1(c)	A reduction of \$11,000 is expected due to lower than budgeted interest rates for Councils term deposit investments
1(d)	A reduction of \$8,000 is expected due to an over estimation of employee contributions to motor vehicles
1(e)	A reduction of \$30,000 to the Capital Contributions for Infill blocks, and \$10,000 for developer contributions is estimated for the remainder of the financial year
2(a)	There is an estimated net reduction to employee costs of \$50,000 (net). The reduction is contributed to lower than anticipated corporate support wages due to a restructure of roles in the administration office (\$25,000), and lower than anticipated leave entitlements and superannuation in corporate support and operations (\$40,000). An increase in payroll tax (\$9,000) and Fringe Benefits Tax (\$6,000) has also contributed to the change.
2(b)	Materials & Contracts expenses are estimated to increase by \$65,000 (net) for the remainder of the financial year. This increase is mostly attributed to expenses relating to Trunk Main 'C' repairs (\$55,000). There has also been an increase in reservoir expenditure (\$15,000) and a decrease in WHS costs (\$5,000).
2(c)	Other expenses are expected to increase by \$500, with a decrease to printing and stationery costs (\$6,000), and increases in expenses relating to the water wise program (\$2,000) and corporate support (\$4,500) contributing to the change.
2(d)	The net loss of \$169,182 relates to the sale of Bogolong Dam to Weddin Shire Council. The total effect on the income statement on disposal of the asset is the current written down value, less proceeds from Asset revaluation reserve and sale as at 17.09.14

Quarterly Budget Review Statement
for the period 01/01/15 to 31/03/15

Central Tablelands Water
Capital Budget Review Statement

Budget review for the quarter ended 31 March 2015
Capital Budget - Water Fund

	Original Budget 2014/15	Approved Changes		Revised Budget 2014/15	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures
		Other than by a QBRS	Sep QBRS					
Capital Expenditure								
New Assets								
- Plant & Equipment	407,000			407,000	6,500	3a	413,500	211,848
- Land & Buildings				-			-	
- Office Equipment				-	29,000	3b	29,000	28,991
Renewal Assets (Replacement)								
- Plant & Equipment	27,000			27,000			27,000	24,265
- Land & Buildings	1,698,046			1,698,046	(758,700)	3c & 3d	939,346	376,871
- Water Supply Network				-			-	
- Land & Buildings	359,004			359,004			359,004	266,882
Loan Repayments (Principal)								
Total Capital Expenditure	2,491,050	-	-	2,491,050	(723,200)		1,767,850	908,857
Capital Funding								
User Fees & Charges Funding	359,004			359,004			359,004	266,882
Capital Grants & Contributions				-			-	
Reserves:								
- External Restrictions/Reserves				-			-	
- Internal Restrictions/Reserves	1,807,046			1,807,046	(723,200)		1,083,846	430,127
New Loans				-			-	
Receipts from Sale of Assets								
- Plant & Equipment	325,000			325,000			325,000	160,580
- Land & Buildings				-			-	
Total Capital Funding	2,491,050	-	-	2,491,050	(723,200)		1,767,850	857,589
Net Capital Funding	-	-	-	-	-		-	(51,268)

This statement forms part of Council's Quarterly Budget Review Statement (QBRS) for the quarter ended 31/03/2015 and should be read in conjunction with the total QBRS report

Central Tablelands Water

Quarterly Budget Review Statement
for the period 01/01/15 to 31/03/15

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details
3a	An additional \$6,500 is required for the purchase of a ride on mower
3b	\$29,000 is required for the purchase of Intramaps GIS software (\$10,500), CITECT software for Carcoar WFP (\$15,000) and the purchase of computer hardware (\$3,500)
3c	Works postponed until 15/16 FY Blayney Water Filtration Plant Upgrade \$350,000 and Carcoar Water Filtration Plant Low Level Storage \$445,000
3d	An additional \$35,000 is required for Nyrang Creek reticulation works, and \$1,300 for preliminary works for the OCC & CTW pipeline project Net reduction for Water Supply Network Capital costs \$758,700

03) Integrated Planning & Reporting - 2015/2016 Management Plan (FM.PL.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That, in accordance with Sections 402-406 of the Local Government Act 1993, and, following the statutory period of 28 days public display, Council now resolve to adopt the following draft Plans:
 - a. Delivery Plan 2015 – 2019
 - b. Operational Plan 2015 – 2016 – Part 1 & 2
 - c. Workforce Management Plan 2012 – 2016
 - d. Asset Management Strategy and Plans
 - e. Long Term Financial Plan

REPORT

In accordance with the requirements of Section 405 of the Local Government Act, the Draft Operational Plan 2015-2016, Part 1 & 2, together with the Delivery Plan 2015 – 2019, the Workforce Management Plan 2012–2016, the Asset Management Strategy and Plans and the Long Term Financial Plan was placed on public exhibition for a statutory 28-day minimum period. Advertisements were placed in all local and regional newspapers advising that the draft Plans were on public exhibition at Council's office in Blayney and on Council's website. The advertisements invited members of the public to review the draft Plans and to make written submissions prior to 5 pm on 8th May 2015.

As at 5pm on 8th May 2015, Council had received no submissions.

Council can now proceed to adopt the Draft Operational Plan 2015-2016, Part 1 & 2, the Delivery Plan 2015–2019, the Workforce Management Plan 2012–2016, the Asset Management Strategy and Plans and the Long Term Financial Plan and give approval to the estimates of expenditure and income for the ensuing 12 months.

The draft Operational Plan 2015-2016 provides for consumption charges to increase by 5% from \$2.25 to \$2.36. The increase in consumption charges will be applied to all accounts issued after 1 July 2015. There is no planned increase in the annual availability charge which will remain at \$200.00 per year for a standard 20mm service.

The Section 64 Developer Charge for 2015/2016 will increase from \$8,557.00 to \$8,700.00 per ET, whilst the capital contribution charge on existing vacant unconnected land (in-fill blocks) for 2015/2016 will increase to \$4,040.00 per ET.

The Estimates of Income and Expenditure for 2015/2016, as presented in the draft Operational Plan, are summarised as follows:

Operating Revenue

Availability Charges	1,209,344	
Water Sales	3,637,100	
User Charges	102,557	
Interest	176,000	
Other Revenues	316,906	
Grants – Acquisition of Assets	145,120	
Grants & Subsidies	55,296	
Contributions	16,944	
Net Gains on Disposal of Assets	43,000	5,702,267

Less: Operating Expenses

Management Expenses	1,114,902	
Supervision & Technical Expenses	340,719	
Operational Expenses	2,020,323	
Interest	197,948	
Depreciation - System Assets	1,649,210	
Depreciation - Plant & equipment	183,691	
Amortisation – Intangible Assets	50,345	5,557,138

Estimated Operating Result for Period - Surplus

145,129

Add Expenses not Involving Flow of Funds

Depreciation	1,883,246
	<u>2,028,375</u>

Add Non-Operating Revenue

Written-down value of Assets Sold	288,000
Transfer from Reserves	1,121,230
	<u>3,437,605</u>

Less Non-Operating Expenditure

Acquisition of Assets	1,452,230
Repayment of Loans	382,708
Transfer to Reserves	1,602,667
	<u>3,437,605</u>

Budget Result (Balanced)**0**

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

04) Draft Policies (RM.PO.1)

(Raelene Mulligan)

RECOMMENDATION:

1. That, following the statutory period of public display, Council adopt the draft Enterprise Risk Management, Social Media and Water Meter Policies as endorsed at the April 2015 Council meeting.

REPORT

Following a report to the April 2015 meeting of Council and in accordance with Sec. 252 of the LG Act 1993, Council resolved:

“That Council endorses the draft:

- a. Enterprise Risk Management Policy;
- b. Social Media Policy;
- c. Water Meter Policy;

To be placed on public display for a period of 28 days.”

In accordance with the above resolution, the draft Enterprise Risk Management, Social Media and Water Meter Policies were placed on public exhibition for the statutory period of 28 days, and Council can now proceed to adopt the draft policies.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

05) Staff Performance Reviews (PE.EC.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council note the information.

REPORT

Annual performance reviews on all staff will be completed during June 2015. The General Manager is pleased to report that he is supported by a cohesive and dedicated team in Operations Management, Finance and Administration.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

06) Local Government Remuneration Tribunal (GR.LR.4)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council endorse its policy of paying the maximum fees to the Chairman and Members of Central Tablelands County Council, as determined by the Local Government Remuneration Tribunal for Category County Council – Water

REPORT

Council has received advice that the Local Government Remuneration Tribunal has delivered its determination in regards to fees payable to councillors and mayors/chairpersons for 2015-2016, increasing fees by 2.5 per cent from 1 July 2015.

A full copy of the Tribunal's 2015 Annual Review **will be tabled** at this Council meeting for Councillors information.

The following table lists the Tribunal's determinations for 2015-2016:

	Councillor/Member Annual Fee		Mayor/Chairperson Additional Fee*	
	<i>Minimum</i>	<i>Maximum</i>	<i>Minimum</i>	<i>Maximum</i>
<i>Principal City</i>	25,040	36,720	153,200	201,580
<i>Major City</i>	16,690	27,550	35,470	80,260
<i>Metropolitan Major</i>	16,690	27,550	35,470	80,260
<i>Metropolitan Centre</i>	12,520	23,370	26,600	62,090
<i>Metropolitan</i>	8,330	18,380	17,740	40,090
<i>Regional Rural</i>	8,330	18,380	17,740	40,090
<i>Rural</i>	8,330	11,010	8,860	24,030
County Council – Water	1,660	9,180	3,550	15,080
<i>County Council – Other</i>	1,660	5,490	3,550	10,020

Council's policy is to pay the maximum fees as determined by the Local Government Remuneration Tribunal.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

07) 2013/2014 NSW Water Supply Performance Monitoring Report (GR.SL.2)

(Gavin Rhodes)

RECOMMENDATION:

1. That the 2013/2014 Water Supply Performance Report for Local Government Water Utilities be received and noted.

REPORT

The Minister for Lands and Water, The Hon Niall Blair MLC, has released the *2013/2014 NSW Water Supply and Sewerage Performance Monitoring Report* in which he states that the evidence shows that the NSW utilities are continuing to perform well. **The Full Report will be tabled at this meeting.**

The NSW Office of Water (NOW) has also sent a copy of Council's 2013/2014 TBL Performance Report (see attached).

As reported last year, Central Tablelands Water has performed well in the 2013/2014 performance reports.

The report shows that, in 2013/2014, Council was 90% compliant with all requirements of the Best-Practice Guidelines, including full cost recovery. According to NOW, for Council to achieve 100% compliance, Council needs to implement Appropriate Residential Charges. The Best-Practice Guidelines state that to be compliant consumption charges should equate to 75% of water sales revenue and availability or access charges 25%. Council remains below the 75% guideline at 68%.

Notwithstanding, Council ranks fairly highly in other areas of the report when compared against water utilities of similar size and even when compared against the State median.

Council's 2013/2014 TBL Water Supply Performance Report is provided as an attachment to this business paper. Also attached is a copy of the NSW Office of Water Media Release.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- | | | |
|---|---|---------|
| 1 | 2013 - 2014 TBL Water Supply Performance Report | 2 Pages |
| 2 | NSW Office of Water Media Release | 1 Page |

Central Tablelands Water TBL Water Supply Performance 2013-14

WATER SUPPLY SYSTEM - Central Tablelands Water serves a population of 13,100 (5,450 connected properties). Water is drawn from 7 bores (7 ML/d) and from Lake Rowlands to supply Blayney, Canowindra, Grenfell, Eugowra, Millothorpe, Mandurama, Lyndhurst, Carcoar, Manildra, Cargo, Cudal, Woodstock and Gooloogong. Council has 2 storage dams (total capacity 4800 ML). The water supply network comprises 1 conventional treatment works (6 ML/d) and 1 DAFF works (9 ML/d), 45 service reservoirs (29 ML), 32 pumping stations, 15 ML/d delivery capacity into the distribution system, 318 km of transfer and trunk mains and 267 km of reticulation. With the exception of Quandialla, all the water supply is fully treated.

PERFORMANCE - Central Tablelands Water achieved 90% implementation of the NSW BPM requirements. The 2014-15 typical residential bill was \$632 which was close to the statewide median of \$582 (Indicator 14). The economic real rate of return was similar to the statewide median (indicator 43). The operating cost (OMA) per property was \$552 which was well above the statewide median of \$400 (Indicator 49). Water quality complaints were similar to the statewide median of 3 (Indicator 25). Compliance was achieved for microbiological water quality (100% of the population, 2 of 2 zones compliant), chemical water quality and physical water quality. There were no failures of the chlorination system or the treatment system. Central Tablelands Water reported no water supply public health incidents. Current replacement cost of system assets was \$120M (\$20,900 per assessment). Cash and investments were \$6M, debt was \$3.5M and revenue was \$5.2M (excluding capital works grants).

IMPLEMENTATION OF REQUIREMENTS OF NSW BEST-PRACTICE MANAGEMENT (BPM) FRAMEWORK

(1) Complete Current Strategic Business Plan & Financial Plan	YES	(3) Sound water conservation implemented	YES
(2) (2a) Pricing - Full Cost Recovery, without significant cross subsidies	Yes	(4) Sound drought management implemented	YES
(2b,2c) Pricing - Appropriate Residential Charges	12	(5) Complete performance reporting (by 15 September)	YES
(2d) Pricing - Appropriate Non-residential Charges	Yes	(6) Integrated water cycle management strategy	YESC
(2e) Pricing - DSP with Commercial Developer Charges	Yes		90%
IMPLEMENTATION OF ALL REQUIREMENTS			

TRIPLE BOTTOM LINE (TBL) PERFORMANCE INDICATORS

NWI No.	Description	LWU RESULT	RANKING			MEDIAN		
			3,001 to 10,000	All LWUs	Statewide	National		
			Note 1	Note 2	Note 3	Note 4	Note 5	
UTILITY CHARACTERISTICS	C1 1 Population served: 13100							
	C4 2 Number of connected properties: 5450	Number of assessments: 5730	Col 1	Col 2	Col 3	Col 4	Col 5	
	3 Residential connected properties (% of total)	%	74			91		
	4 New residences connected to water supply (%)	%	0.7	3	3	0.9		
	A3 5 Properties served per kilometre of water main	Prop/km	10			32	35	
	6 Rainfall (% of median annual rainfall)	%	84	3	3	77		
	W1 7 Total urban water supplied at master meters (ML)	Mt	1,730			6,800	10,200	
	8 Peak week to average consumption (%)	%	253	5	5	152		
	9 Renewals expenditure (% of current replacement cost of system assets)	%	0.1	5	5	0.5		
	10 Employees per 1000 properties	per 1,000 prop	3.5	5	5	1.5		
SOCIAL CHARGE & BILLS	P1 Residential tariff structure for 2014-15: two part; independent of land value; access charge \$200							
	P1.3 12a Residential water usage charge for 2013-14all usage (c/kL)	c/kL (2013-14)	215	2	2	208	185	
	12 Residential water usage charge for 2014-15all usage (c/kL)	c/kL (2014-15)	225	2	2	213		
	P2 14a Typical residential bill for 2013-14 (\$/assessment)	\$ (2013-14)	613	3	3	550	567	
	14 Typical residential bill for 2014-15 (\$/assessment)	\$ (2014-15)	632	3	3	582		
	15 Typical developer charge for 2014-15 (\$/equivalent tenement)	\$ (2014-15)	8,600	1	1	5,500		
	F4 16 Residential revenue from usage charges (% of residential bills)	%	68	3	3	73	68	
	F5 17 Revenue per property - water (\$/property)	\$/prop	960	2	2	795	849	
	H 18 Water Supply Coverage (% of Urban Population with reticulated WS)	% of population	96.3	3	3		99.6	
	H6 18a Risk based drinking water quality plan?	Yes	Yes					
SOCIAL HEALTH	19 Physical compliance achieved? Note 10	Yes	1	1				
	19a Chemical compliance achieved? Note10	Yes	1	1				
	H4 19b % population with chemical compliance	%	100	1	1	100		
	20 Microbiological (E. coli) compliance achieved? Note 10	Yes	1	1				
	H3 20a % population with microbiological compliance	% of population	100	1	1	100	100	
	SOCIAL SERVICE LEVELS	C9 25 Water quality complaints per 1000 properties	per 1,000 prop	2	3	3	3	2
		C10 26 Water service complaints per 1000 properties	per 1,000 prop	11	2	3	6	1
		C17 27 Incidence of unplanned interruptions per 1000 properties	per 1,000 prop	50	4	4	50	95
		C15 28 Average duration of interruption (min)	min	180	5	4	150	113
		A6 30 Number of water main breaks per 100 km of water main	per 100km	10	2	3	10	13
31 Drought water restrictions (% of time)		% of time	0	1	1	0		
32 Total days lost (%)		%	3.2	3	4	2.9		
W12 33 Average annual residential water supplied - STATEWIDE (kL/property)		kL/prop	192	2	2	173	185	
33a Average annual residential water supplied - COASTAL LWUs (kL/property)		kL/prop				157		
33b Average annual residential water supplied - INLAND LWUs (kL/property)		kL/prop	192	1	1	263		
A10 34 Real losses (leakage) (L/service connection/day)	L/connection/day	70	2	3	70	79		
ENVIRONMENTAL NATURAL RESOURCE MANAGEMENT	35 Energy consumption per Megalitre (kWh/Mt hours)	kWh	785	5	5	820		
	36 Renewable energy consumption (% of total energy consumption)	%	280	2	2	370	390	
	E12 36a Net greenhouse gas emissions - WS & Sge (net tonnes CO2 - equivalents per 1000 properties)	t CO2	280	2	2	370	390	
ECONOMIC FINANCE	F24 42 Current replacement cost per assessment (\$)	\$	20,900	1	1	16,500		
	F17 43 Economic real rate of return - Water (%)	%	1.0	3	3	1.2	1.9	
	44 Return on assets - Water (%)	%	0.9	4	3	1.1		
	F22 45 Net Debt to equity - WS&Sge (%)	%	-4	2	2	1	11	
	F23 46 Interest cover - WS&Sge		9	1	1	4	2	
	47 Loan payment per property - Water (\$)	\$	106	1	1	64		
	F24 47b Net profit after tax - WS & Sge (\$'000)	\$'000	280	4	3	1180	5345	
	48 Operating cost (OMA) per 100km of main (\$'000)	\$'000	536	1	1	1,290		
	F11 49 Operating cost (OMA) per property (\$/prop) Note 8	\$/prop	552	3	4	400	439	
ECONOMIC EFFICIENCY	50 Operating cost (OMA) per kilolitre (cents)	c/kL	160	4	4	126		
	51 Management cost (\$/prop)	\$/prop	263	5	5	140		
	52 Treatment cost (\$/prop)	\$/prop	120	2	3	58		
	53 Pumping cost (\$/prop)	\$/prop	57	3	3	43		
	54 Energy cost (\$/prop)	\$/prop	41	3	3	25		
	55 Water main cost (\$/prop)	\$/prop	66	3	2	74		
	F28 56 Capital Expenditure (\$/prop)	\$/prop	87	4	4	181	175	

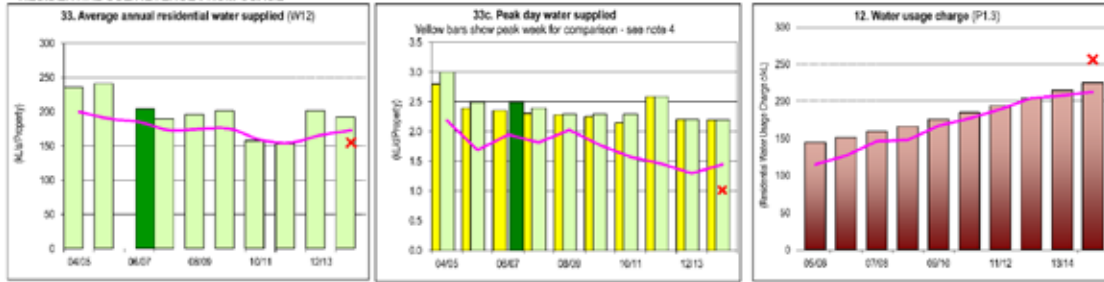
NOTES:

- Col 2 rankings are on a % of LWUs basis - best reveals performance compared to similar sized LWUs (ie. Col 1 is compared with LWUs with 3,001 to 10,000).
- Col 3 rankings are on a % of LWUs basis - best reveals performance compared to all LWUs (ie. Col 1 is compared with all LWUs).
- Col 4 (Statewide Median) is on a % of connected properties basis- best reveals statewide performance (gives due weight to larger LWUs & reduces effect of smaller LWUs).
- Col 5 (National Median) is the median value for the 67 utilities reporting water supply performance in the National Performance Report 2013-14 (www.bom.gov.au).
- LWUs are required to annually review key projections & actions in the later of their IWCN Strategy and financial plan and their Strategic Business Plan and to annually 'roll forward', review and update their 30-year total asset management plan (TAMP) and 30-year financial plan.
- 2014-15 Non-residential Tariff: Access Charge based on Meter Size*(40mm:\$800). Two Part Tariff: Usage Charge 225c/kL.
- Non-residential water supplied was 49% of potable water supplied excluding non-revenue water.
- Non-residential revenue was 47% of annual rates and charges, indicating fair pricing of services between the residential and non-residential sectors.
- The operating cost (OMA) per property was \$552. Components were: management (\$263), operation (\$72), maintenance (\$142), energy (\$41) & chemical (\$33).
- Rehabilitations included 8.29% of service connections and 0.7% of water meters. Renewals expenditure was \$26,000/100km of main.
- Compliance with ADWG 2011 for drinking water quality is shown as "Yes" if compliance has been achieved (indicators 19, 19a & 20).
- Central Tablelands Water has 3 fully qualified water treatment operators who meet the requirements of the National Certification Framework.
- BPM Framework - Council needs to implement Appropriate Residential Charges (75% from usage charges) (2c).

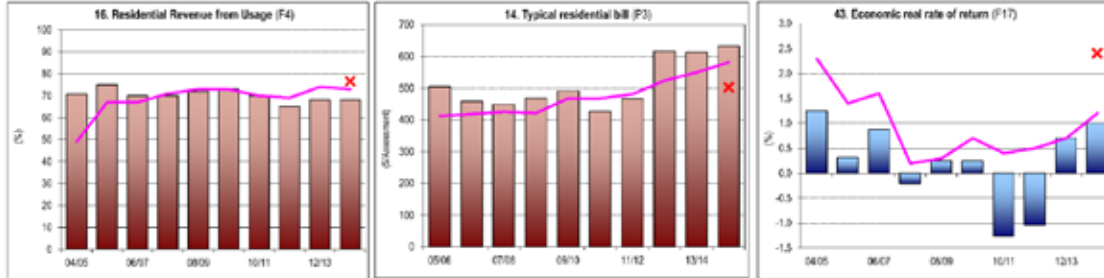
Central Tablelands Water TBL Water Supply Performance (page 2) 2013-14

(Results shown for 10 years together with 2013-14 Statewide Median and Top 20%)

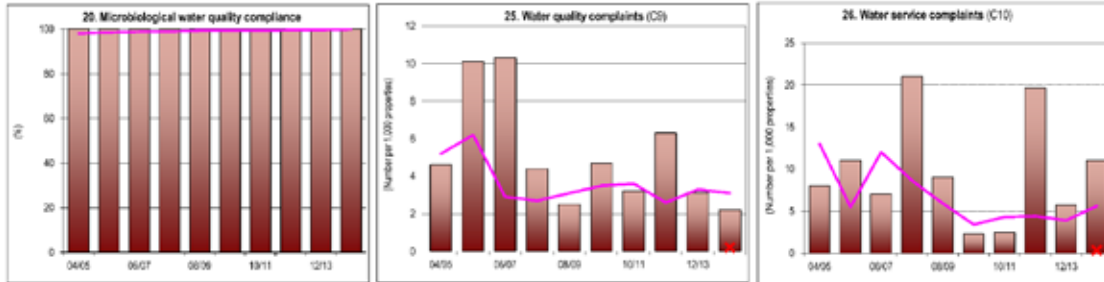
RESIDENTIAL USE/REVENUE FROM USAGE



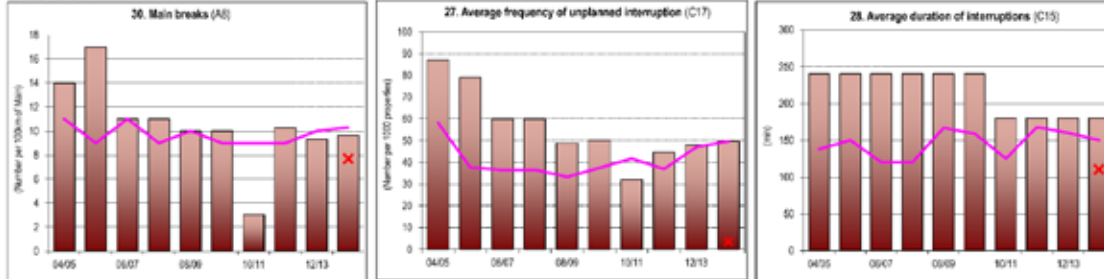
COST RECOVERY



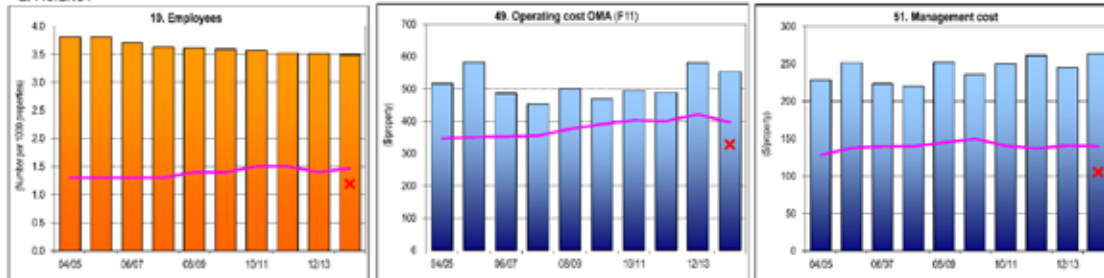
WATER QUALITY/CUSTOMER SERVICE



RELIABILITY



EFFICIENCY



NOTES:

- Costs are in Jan 2014\$ except for graphs 12 and 14, which are in Jan 2015\$.
- Microbiological water quality compliance 1999-00 to 2003-04 was on the basis of 1996 NHMRC/ARMCANZ Australian Drinking Water Guidelines for E. coli; from 2004-05 to 2010-11 compliance was on the basis of the 2004 NHMRC/NRMMC Australian Drinking Water Guidelines (ADWG) and for 2011-12 to 2013-14 compliance was on the basis of the 2011 ADWG.
- Indicators 33 and 33c - Green shading of bars shows % of time Drought Water Restrictions applied in each year:
- Indicator 33c - Yellow bars show Peak Week Water Supplied for comparison with Peak Day Water Supplied shown in green.





Department of
Primary Industries
Office of Water

Media Release

7 May 2015

Regional NSW local water utilities – leaders in safe and affordable water supply and sewerage

NSW local water utilities continue to lead the way in providing safe and affordable services for regional NSW, based on the latest annual report card on water supply and sewerage performance, the NSW Office of Water announced today.

The 2013-14 NSW Water Supply and Sewerage Performance Monitoring Report outlines the performance of the State's 105 local water utilities, which clearly shows that NSW local water utilities are national leaders.

The water supply median typical residential bill is now lower than the National median and all the reported results for the other Australian states and the capital city utilities, except for Melbourne and country Victoria.

While the increase in the water supply and sewerage median typical residential bill has been limited to 19 per cent in real terms over the past 19 years.

The report also indicates the average annual residential water use has fallen from 330 kilolitres (kL) to 173 kL per connected property. This is a reduction of over 48 per cent over the past 23 years.

Water main breaks have remained much lower than all the other Australian states and the capital city utilities, indicating good asset condition.

The report also shows that all of the NSW utilities are achieving full cost recovery for water supply and 95 per cent are achieving full cost recovery for sewerage.

Implementation of the 19 planning, pricing and management requirements of the NSW Best Practice Management of Water Supply and Sewerage Framework is now 90 per cent, compared to 46 per cent nine years ago.

This report demonstrates the effective partnership between the NSW Government and local councils in meeting community needs for water supply and sewerage services to regional NSW.

The NSW Government's Country Towns Water Supply and Sewerage Program supports these services, which benefit 1.82 million people in country towns across NSW.

The NSW Government promotes continuing performance improvement by NSW local water utilities, with the aim of providing better quality and greater efficiency of services to all NSW residents, together with positive environmental outcomes.

The report will be provided to all NSW water utilities and can be accessed online at NSW Office of Water website - www.water.nsw.gov.au
ENDS

Media contact: James Muddle – 0407 103 507

Our news releases are on the web: www.water.nsw.gov.au Follow us on Twitter @OfficeofWater

08) Local Government Water Management Conference (CM.CF.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council give approval for the Chairman, Deputy Chairman, General Manager and Director Operations & Technical Services to attend the 2015 LG Water Management Conference in Bowral.

REPORT

The 2015 LG Water Management Conference will be held in Bowral from Monday 24 August 2015 to Wednesday 26 August 2015.

The Chairman, General Manager and Director Operations & Technical Services normally attend this Conference and, occasionally in the past another Councillor has attended. As early bird registrations are anticipated to close in mid July 2015, the General Manager is seeking approval from Council to register the Chairman, Deputy Chairman, General Manager and Director Operations & Technical Services to attend.

BUDGET IMPLICATIONS

Funded in Operational Plan 2015/2016

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

09) Drinking Water Management System (CM.PO.1)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council adopt the Central Tablelands Water Drinking Water Management System – Revision 3.

REPORT

The Drinking Water Management System (DWMS) demonstrates Central Tablelands Water's compliance with the *NSW Public Health Act 2010* requirement to develop a Quality Assurance Plan in accordance with the "Framework for Management of Drinking Water Quality" in the *Australian Drinking Water Guidelines 2011* (ADWG).

The DWMS outlines the range of activities undertaken by CTW to ensure the provision of safe drinking water to its customers. A number of actions to improve the drinking water supply systems were identified through the risk assessment and system development. The improvement plan will be reviewed regularly as actions are completed and as part of the annual planning process.

CTW is committed to managing its drinking water supply systems to provide safe, high quality drinking water which consistently meets the ADWG, consumer expectations and regulatory requirements.

The DWMS was prepared on behalf of CTW by HydroScience Consulting. As HydroScience Consulting have now finalised CTW's DWMS (Revision 3) incorporating comments received by CTW and NSW Health, the General Manager is recommending that the CTW DWMS (Revision 3) be formally adopted by Council.

The CTW DWMS (Revision 3) has been provided to all Councillors as an attachment to this report.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

10) **Planning Proposal to Amend the Blayney Local Environmental Plan 2012 - E3 Environmental Management Zone to RU1 Primary Production Zone (CM.PO.1)**

(Gavin Rhodes)

RECOMMENDATION:

1. That Council endorse the attached submission for lodgement which outlines Central Tablelands Water's concerns regarding the planning proposal to amend the Blayney Local Environmental Plan 2012 – E3 Environmental Management Zone to RU1 Primary Production Zone.

REPORT

Blayney Shire Council is currently exhibiting a Planning Proposal to amend the Blayney Local Environmental Plan 2012 (BLEP 2012) under the provisions of Section 57 of the Environmental Planning and Assessment Act 1979. The Planning Proposal is on public exhibition until Monday 15 June 2015.

The objective of the Planning Proposal is to amend the BLEP 2012 to alter the planning controls within the instrument, replacing the existing E3 Environmental Management zone with an RU1 Primary Production zone. There are two areas of concern within Blayney Shire local government area:

- Lake Rowlands and environs
- Suma Park Dam and environs

As a key stakeholder whose enjoyment of the land may be affected by the proposed amendment, Central Tablelands Water has been invited to make any submissions it may wish to do so regarding the proposal.

Although the Planning Proposal to amend the BLEP 2012 states, *"The removal of the E3 zone will not render the water catchments unprotected. Within the BLEP2012 Clause 6.5 Drinking water catchments would remain in place to provide suitable protection,"* the General Manager and Director Operations & Technical Services have concerns with the removal of the E3 zone in the Lake Rowlands catchment as it has the potential to diminish the strong environmental protections that are currently in place of a valuable water supply.

Subsequently a submission outlining CTW's concerns with the Planning Proposal has been developed by Senior Management for Council's endorsement. The submission has been provided to all Councillors as an attachment to this report.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

1 Submission by CTW 3 Pages



Submission by CTW for the Amendment to the Blayney Local Environmental Plan 2012 – E3 Environmental Zone to RU1 Primary Production Zone

Protecting Drinking Water Overlay - CTW History

- CTW fenced its foreshores at Lake Rowlands in 1983 to minimise the possible contamination from stock and additional nutrient load.
- In 1995 CTW installed a destratification plant to minimise algal growth from nutrient load due to fertilisers being used in the Lake Rowlands catchment area and flowing into Coombing Creek after heavy rains.
- In 2002 CTW installed Powder Activated Carbon (PAC) facilities at both filtration plants again to minimise taste and odour caused by algal growth in Lake Rowlands.

As can be seen from the above dot points, nutrient load has continued to increase with algal growth, taste and odour organisms more prevalent than 30 years ago.

In 2015 CTW and Orange City Council submitted a joint proposal to Infrastructure NSW to install a pipeline between both utilities to maximise water security, i.e. to assist each Council in high demand/drought periods and to mitigate the risk if one water supply was contaminated by pollution.

In 2000 an incident in Walkerton, Canada a town with the population of 5,000 had their water supply contaminated after flooding rains with Ecoli. 2,300 people fell ill and were hospitalised, while 7 people died. If intensive grazing and intensive plant agriculture are allowed near the foreshores of Coombing Creek (Lake Rowlands drinking water catchment) there is the potential for a similar incident to occur.

The main employers of the Blayney area all rely on a good quality, clean, potable water supply. Blayney only has one source of water, Lake Rowlands.

Planning Implications – CTW Concerns

4.1 Zone Objectives

"An additional local objective was added to Zone E3 to protect drinking water catchments because this was the primary role of the zone when BLEP2012 was prepared.

It is submitted that the primary role of the area that forms the drinking water catchment is actually its agricultural role and the drinking water catchment is a secondary (but equally important) role."

CTW Concern – The additional local objective was added to the E3 Zone to protect the drinking water catchment of Lake Rowlands which supplies quality water to the Blayney, Cabonne, Weddin and Cowra Shire (Rural) LGA communities. It was put in place for the purpose of additional protection of an extremely valuable water supply. If this water supply is put at further undue risk of contamination, there is no other water supply alternative for the above mentioned areas.

CTW are concerned that if the proposed amendment goes ahead the following Zone E3 objective as stated in BLEP2012 will be compromised in Lake Rowlands catchment area:

- **To protect drinking water catchments from the impacts of development by minimising impacts on the quality and quantity of water entering drinking water storages.**

4.3 Land Uses Permissible with Consent

Agriculture & Terms Outside

CTW Concern – Intensive livestock agriculture has the potential to contaminate the Lake Rowlands catchment area, especially with water runoff during periods of heavy rainfall.

Commercial Premises & Terms Outside

CTW Concern – Landscaping material supplies has the potential to contaminate the Lake Rowlands catchment area, especially with water runoff during periods of heavy rainfall.

Rural Industries

CTW Concern – Ag.produce industry and livestock processing have the potential to contaminate the Lake Rowlands catchment area, especially with water runoff during periods of heavy rainfall or possible bi-product leaks from livestock processing plants.

4.5 Drinking Water Catchment Overlay

CTW Concern – CTW would be extremely concerned if the Drinking Water Catchment Overlay was not retained as this would be the primary control in protecting the drinking water catchment of Lake Rowlands which supplies quality water to the Blayney, Cabonne, Weddin and Cowra Shire (Rural) LGA communities if the rezoning occurs.

6 NSW NORTHERN COUNCILS ENVIRONMENTAL ZONES REVIEW

6.3 Implications of E Zone Review

"The Frequently Asked Questions Sheet from DPE suggests that DPE will support the removal of E zones where it can be protected by an alternate overlay, such as the Drinking Water Catchment maps and standard clause. However, there are a number of more detailed matters that have not yet been agreed and the Department

is currently reviewing submissions from the exhibition of the Interim Report before it will set out its preferred position.

*The Fact Sheet also suggests this position will be applied state-wide and that the Minister for Planning will in the future issue a direction to councils about the criteria that must be used when applying an E2 or E3 zone. This would apply when a council sought to amend their local environmental plans. Blayney may be taking a **small risk** in seeking the removal of the E zone before the Department has finalised its position."*

CTW Concern – Why would Blayney Shire Council contemplate taking even a **small risk** when it is not required if they wait for DPE's final position regarding the E Zone review? It begs the question as to why it has taken DPE so long to finalise its position on the review considering the Interim Report (30 September 2013) was placed on public exhibition in May/June 2014 and is still under consideration.

7 PUBLIC HEALTH ACT & DRINKING WATER GUIDELINES

CTW Concern – CTW's Drinking Water Management System (DWMS) demonstrates CTW's compliance with the *NSW Public Health Act 2010* requirement to develop a Quality Assurance Plan in accordance with the "Framework for Management of Drinking Water Quality" in the *Australian Drinking Water Guidelines 2011* (ADWG). CTW is committed to managing its drinking water supply systems to provide safe, high quality drinking water which consistently meets the ADWG, consumer expectations and regulatory requirements.

CTW are concerned that by removing the protection that the E3 Zone currently affords the Lake Rowlands drinking water catchment area, it may compromise CTW's DWMS ability to continually comply with the *NSW Public Health Act 2010* in meeting requirements of the Quality Assurance Plan in accordance with the "Framework for Management of Drinking Water Quality" in the *Australian Drinking Water Guidelines 2011* (ADWG).

If the zoning for the Lake Rowlands catchment and environs is changed from E3 Environmental to RU1 Primary Production, CTW request as a minimum and as a key stakeholder to be notified immediately of any future proposed development in the Lake Rowlands drinking water catchment area.

11) **WBC Alliance - Project Officer's Report (CM.AG.6)**

(Donna Galvin)

RECOMMENDATION:

1. That the information be noted.

REPORT

Report Attached

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

- 1 WBC Alliance Report to Council 4 Pages

WBC EXECUTIVE MANAGER'S REPORT**Fit for the Future:**

I have been spending the bulk of my time since the last Board meeting providing support mostly to Blayney and Cabonne in their preparation for the 30 June submission of Fit for the Future.

Wellington have had consultancy firm Morrison Low preparing their response so I have been less involved there and as CTW are not required to provide a submission I haven't been providing as much service as I would normally.

We are however still seeing the benefit of the Alliance cooperation through this process as I've been able to share ideas and tools across Wellington, Blayney and Cabonne as they prepare their submissions and go to their communities. Work we have done previously has been useful and we have built up such a wealth of resources over time that have proved very useful during this process.

Some of the key activities I've been involved in include:

- 16/17 March - LG NSW FFF Bootcamp – Dubbo
- 20 March – Blayney FFF project team meeting
- 25 March – Cabonne Workshop with team
- 14 April – Cabonne team meeting
- 17 April – Blayney team meeting
- 21 April – Cabonne Councillor workshop
- 24 April – attend LG Professionals Hot Topics workshop – Sydney
- 29/30 April – co facilitator and presenter LG NSW “Regional Collaboration and Shared Services workshop” – Sydney
- 1 May – Blayney team meeting
- 5 May – Briefing to Cabonne Councillors on process
- 6 May – facilitated staff workshop Cabonne
- 13/14 May – Assist with Cabonne Community consultations process and meetings
- 15 May – IPART workshop – Dubbo
- 26 May – Cabonne Council meeting
- 29 May – Blayney project team meeting
- 3 June – Blayney peer review workshop (coordinated by Blayney GM).

Centroc, the JO and Shared Services:

I have been approached by Centroc asking if we could share some of our resources and experiences with shared services as they are currently preparing a "tool kit" for Councils on shared services. I'm not sure of the objectives of this work or what resources we have that could be useful. I have referred the matter to the General Managers at this stage and for now, with other priorities more pressing, I haven't met with them to discuss this.

Shared position – temporary arrangement:

Another great example of the benefits of the WBC arrangement recently evolved. Wellington Council have a short term need (4 months) for media and communications support services. They had approached Dubbo but the fee being proposed by them was very expensive. Cabonne have a full time Media and Communications officer, Dale Jones who is also a Wellington resident. The General Managers of Wellington and Cabonne have negotiated a 4 month arrangement where Dale works 1 day a week for Wellington on a fee for service basis (basically its cost recovery for Dale cost plus a 10% administration fee which is the agreement for such arrangements between the WBC partners).

Dale commenced on 15 May at Wellington and feedback so far is that the arrangement is working very well.

Operator Workshop

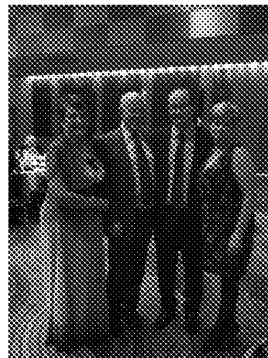
On 31 March we arranged a plant operator workshop as a way of engaging some the outdoor staff and sharing ideas and practices. Cabonne hosted the day in Cudal with a focus on road compaction techniques and analysis as well as grader navigation technology. We had 12 participants who spent the morning on "theory" and after a BBQ lunch to provide time for networking and yarning the guys went on site for some practical demonstrations.

The staff that attended have provided good feedback on the day and we hope to arrange another similar event in a couple of months. Thanks to Bob Cohen, Mick Fitzgerald and Kath Coughlin from Cabonne for organising the day.



Nomination for Award

We nominated the Alliance in this year's LG Professionals Excellence awards in the category of "Partnerships for Growth". The Awards dinner was held in Sydney on the 23 April and the General Managers of CTW and Blayney, the Chairman CTW and myself attended. Whilst we did not win the Award this year it was a good experience and highlighted to us the great work the broader local government sector is involved in.

**Presentation at the LG NSW Regional Collaboration and Shared Services Workshop.**

As previously reported I was asked to co-facilitate and present at this forum held in Sydney on 29/30 April. About 60 people attended the two day event and it was a privilege to present a case study of the alliance and also the work we have done on Shared Services research and development. The attendees were very interested in our model and our successes.

It did demonstrate to me that shared services is being discussed extensively across the sector as a future strategy to strengthen the sustainability of councils. We have known for some time that there are opportunities in this area and the work we have done on models etc is very valuable work. This work should be cited in the member councils submissions as it is a real strength for the future. Whilst there is some discussion about JO's "getting into shared services" there is equally some concern about how that would operate and if these new organisations will be the best platform for delivery of services.

Whatever the future holds for the individual councils and the Alliance the research and development we have done in this area has been so worthwhile and I have no doubt that there are many people in the sector and broader who recognise us as leaders in this space. Something to be particularly proud of.

Future of the WBC Alliance

The WBC Board meeting is scheduled for Thursday 11 June. As part of the response to Fit for the Future Wellington Council have advised they will be withdrawing from the Alliance effective 31 December 2015. This means that the 1/3rd of funding provided by Wellington to support the WBC Executive Manager costs and other Alliance costs will cease. The Board will be discussing this at their Board meeting and making recommendations back to their councils on future options.

12) Proposal to reschedule date of August 2015 Council Meeting (GO.CO.2)

(Gavin Rhodes)

RECOMMENDATION:

1. That Council approve the rescheduling of the August Council Meeting from 12 August 2015 to 19 August 2015 due to the Chairman and General Manager being unavailable as they will be attending the Centroc Board Meeting on 12 August 2015 at Parliament House Canberra.

REPORT

The General Manager has been advised by the Executive Officer of Centroc that the next Centroc Board Meeting to be held at Parliament House in Canberra is scheduled for 12 August 2015. As the Centroc Board Meeting of which the Chairman and General Manager attend is scheduled on the same date as Central Tablelands Water's August Meeting being 12 August 2015, it is proposed that CTW's August Council Meeting be rescheduled to Wednesday 19 August 2015. The meeting would still be held at Weddin Shire Council in Grenfell.

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

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

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT*a) Meter Reading*

The final meter reading for the 2014/2015 financial year commenced in Blayney on 10th April 2015, and was finalised in Grenfell 30th April. All dead metres have been replaced.

b) Meter Change Program

The meter change program continued throughout the County area with eleven domestic metres being replaced due to age or consumption.

c) Service Replacement Program

Council staff completed four full service replacements and eighty one partial replacements during the past two months.

d) Trunk Main Locations

All rail crossings have been identified including depths and water main details have been supplied to John Holland Rail for their records.

e) Rechlorination Facility

A new chlorination facility has been constructed and commissioned at Greys Hill between Cudal & Manildra on TM "U" this will ensure chlorine residuals at Cudal & Manildra meet the new 2012 Drinking Water Guidelines.

f) Master Meter

A new master meter has been purchased and installed at Eugowra reservoir replacing a unit with over 1.5 gigalitres of consumption.

g) Pump Station Maintenance

During wet periods over the past two months staff have cleaned and vacuumed pump stations and the electronic components in their areas.

h) Filtration Plants

Wind socks have been installed on chlorination facilities at both Filtration Plants to meet new Dangerous Goods Storage requirements.

A transformer on a compressor at Carcoar has been replaced after a lightning strike.

i) Bogolong Line

A 350 metre section of water main underneath the Mid-Western Highway between Grenfell and Bogolong Dam has been bypassed with a 50mm polyethylene line after a main failure under the road pavement.

j) Lake Rowlands

A deformation survey of the dam wall at Lake Rowlands was completed in April to meet Dam Safety requirements.

k) Tool Stocktake

A stocktake of all operators and filtration plant tools has been carried out in May.

l) Staff Training

Two staff members have completed Dangerous Goods training during May

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

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

(Darrell Sligar)

RECOMMENDATION:

1. That the information be noted.

REPORT*m) Main breaks*

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

Location		Date	Size	Comment
Blayney	Adelaide Street	29/05/2015	150mm	DNR
Carcoar	Naylor Street	18/04/2015	100mm	DNR
Mandurama	Loquat Street	13/04/2015	100mm	DNR
	Iron Street	29/04/2015	100mm	DNR
Millthorpe	Pilcher Street	26/04/2015	100mm	DNR
Canowindra	Tilga Street	23/03/2015	80mm	DNR
	Cowra Road	30/03/2015	200mm	DNR
Grenfell	Bogolong Line	27/03/2015	225mm	S/L
Rural Schemes	Nyrang Creek	20/04/2015	55mm	Poly
	North Canowindra	01/04/2015	55mm	Poly
		17/04/2015	55mm	Poly
	Trajere	15/04/2015	80mm	Tree Root
TM 'C'	Canowindra	14/04/2015	200mm	Weld

n) Service Complaints and Requests

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

Town/Village	Service	Total
BLAYNEY	DIRTY WATER COMPLAINT	1
	LEAKING METER	4
	LEAKING SERVICE	2
	METER NOT SHUTTING OFF	2
	RESERVOIR MAINTENANCE	1
CANOWINDRA	LEAKING METER	4
	LEAKING SERVICE	3
	MAIN BREAK	2

Town/Village	Service	Total
	MAINTENANCE - GENERAL	2
	NO WATER COMPLAINT	2
	QUALITY COMPLAINT	1
CARCOAR	MAIN BREAK	1
	METER NEW/REPLACEMENT	1
CUDAL	LEAKING SERVICE	2
EUGOWRA	LEAKING METER	3
	PATHCOCK FAILURE	1
GRENFELL	CHECK METER READING	1
	LEAKING METER	1
	LEAKING SERVICE	2
	STOP VALVE FAILURE	1
LYNDHURST	LEAKING METER	1
MANDURAMA	LOW PRESSURE COMPLAINT	1
	MAIN BREAK	2
	NO WATER COMPLAINT	1
MANILDRA	LEAKING SERVICE	2
MILLTHORPE	HYDRANT LEAKING	1
	LEAKING SERVICE	1
	MAIN BREAK	1
	MAINTENANCE - GENERAL	1

o) Lake Rowlands

The level of Lake Rowlands has increased from 68% to its present level of 75% as at 29th May 2015.

p) New Water Services

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

BUDGET IMPLICATIONS

Nil

POLICY IMPLICATIONS

Nil

ATTACHMENTS

Nil

15) Questions on Notice

(Gavin Rhodes)

No questions on notice were received.

ATTACHMENTS

Nil

**16) Request from Blayney Tourist Park (WS.AG.1)
General Managers Contract (GO.CO.4)**

(Gavin Rhodes)

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

17) 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

18) 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 Blayney
Shire Community Centre, on Wednesday, 8 April 2015,
commencing at 10.30am**

<u>Present</u>	Cr. David Somerville	(Chairman)	Blayney
	Cr. Kevin Walker	(Deputy Chairman)	Cabonne
	Cr. Geoff Braddon OAM		Blayney
	Cr. Anthony Durkin		Cabonne
	Cr. Alan Griffiths		Weddin
	Cr. Geoffrey McClelland		Weddin
	Gavin Rhodes	(General Manager)	
	Darrell Sligar	(Director Operations & Technical Services)	
	Raelene Mulligan	(Director Finance & Corporate Services)	

APOLOGIES

Nil

CONFIRMATION OF MINUTES

15/015 RESOLVED:

That the Minutes of the Ordinary Meeting of Central Tablelands Water, held on 11 February 2015, being minute numbers 15/001 to 15/014 inclusive, be confirmed.

(Cr. Braddon/Cr. Durkin)

CHAIRMAN'S MINUTE

At the last Council meeting the Chairman and General Manager were authorised to discuss with relevant stakeholders the implications for CTW of the Fit for the Future reforms and convene a Councillor workshop if necessary. This has not been necessary as all constituent Councils are pursuing "stand alone" proposals. However, the possibility of merger discussions may still emerge after 30 June 2015, so we will need to keep this on the agenda.

As your representative on the Board of Centroc, I have had the opportunity of assisting the Chairman of Centroc and its Executive officer with some aspects of the Joint Organisation pilot process.

So far this has not involved any detailed consideration of the future role of water county councils and regional water alliances in the ultimate JO structure. However, this is an important aspect that will need to be considered in detail. It will be vital to the continuing independent future of CTW. Therefore it is important for CTW to be involved.

It is pleasing therefore that I have been asked to present a paper and to be involved in a panel discussion at the LGNSW Water Management Conference in August on the topic of the "Review of institutional arrangements for local water utilities in regional NSW" in the context of the Fit for the Future reforms.

15/016 RESOLVED:

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

(Cr. McClelland/Cr. Durkin)

COUNCILLOR REPRESENTATION

Cr. Somerville advised that he and Cr. Durkin had represented CTW at Cr. Ron Penny's funeral in February. Cr. Somerville also represented CTW at the CENTROC Board Meeting at Boorowa, WBC Alliance Board Meeting at Molong, and JO Pilot discussions in Sydney over the past 2 months.

01) CENTRAL TABLELANDS WATER AND ORANGE CITY COUNCIL WATER SUPPLY PIPELINE PROJECT (WS.AM.1)**15/017 RESOLVED:**

That Council formally approve to proceed with the Central Tablelands Water and Orange City Council Water Supply Pipeline Project under the Restart NSW Water Security for Regions Program.

(Cr. Walker/Cr. Durkin)

02) FINANCIAL MATTERS (FM.BA.1)**15/018 RESOLVED:**

That the information be noted.

(Cr. Durkin/Cr. McClelland)

03) INTEGRATED PLANNING & REPORTING 2015/2016 MANAGEMENT PLAN (FM.PL.1)**15/019 RESOLVED:**

1. That Council endorses the draft:

- a. Delivery Plan 2015 – 2019
- b. Operational Plan 2015 – 2016 – Part 1 & 2
- c. Workforce Management Plan 2012 – 2016
- d. Asset Management Strategy and Plans
- e. Long Term Financial Plan

To be placed on public display for a period of 28 days.

(Cr. Griffiths/Cr. Durkin)

04) DRAFT POLICIES (RM.PO.1)**15/020 RESOLVED:**

That Council endorses the draft:

- a. Enterprise Risk Management Policy;

b. Social Media Policy;

c. Water Meter Policy;

To be placed on public display for a period of 28 days.

(Cr. Durkin/Cr. Griffiths)

05) AUDIT COMMITTEE - FEBRUARY 2015 MEETING MINUTES (CM.AU.4)

15/021 RESOLVED:

That Council receive and note the February 2015 Audit Committee Meeting Minutes.

(Cr. Walker/Cr. McClelland)

06) NSW POLICE - SITE ACCESS EUGOWRA (PM.US.1)

Proceedings in Brief

Cr. Durkin declared a pecuniary interest as a current serving member of the NSW Police and was excluded from the discussion.

15/022 RESOLVED:

That Council endorse the action taken by the General Manager in his communication and negotiations with NSW Police and authorise the Chairman and General Manager to re-sign and re-execute under Council's Common Seal the Deed of Access, granted to NSW Police, over Lots 1-3 DP 383826 Eugowra.

(Cr. Walker/Cr. McClelland)

07) BLAND RECREATION RESERVE TRUST - REQUEST FOR DISCOUNT FOR CAPITAL CONTRIBUTION CHARGE (CR.SD.1)

15/023 RESOLVED:

That the Bland Recreation Reserve Trust be charged on the basis of a residential connection.

(Cr. McClelland/Cr. Walker)

08) MILLTHORPE VILLAGE COMMITTEE - REQUEST FOR SUPPORT OF GRANT APPLICATION FOR NETWASTE INITIATIVE (CR.SD.1)

15/024 RESOLVED:

That Council endorse the letter of support for the Millthorpe Village Committee's application for grant funding under the Village Waste Reduction Challenge – A Netwaste Initiative.

(Cr. Braddon/Cr. Walker)

09) MILLTHORPE VILLAGE COMMITTEE - REQUEST FOR SUPPORT OF MILLTHORPE GARDEN RAMBLE (CR.SD.1)

15/025 RESOLVED:

That Council decline the request for a \$50 voucher towards the water accounts of those land owners who participate in the annual Millthorpe Garden Ramble.

(Cr. Braddon/Cr. Griffiths)

10) ORANGE CITY COUNCIL - SUPPORT FOR THE INTRODUCTION OF A STATE AND NATIONAL CONTAINER DEPOSIT SCHEME (CM.ES.5)

15/026 RESOLVED:

1. That Council reply to Orange City Council confirming support for the introduction of a State and National Container Deposit Scheme, and
2. That Council write to Members Troy Grant, Andrew Gee, Paul Toole, Andrew Fraser, Premier Mike Baird, Niall Blair and Mark Speakman to seek their support in writing for the introduction of a State and National Container Deposit Scheme for beverage containers.

(Cr. Walker/Cr. Durkin)

11) CENTROC BOARD MEETING HELD 26 FEBRUARY 2015 AT BOOROWA (CM.CF.3)

15/027 RESOLVED:

That Council note the report and associated minutes of the Centroc Board Meeting held 26 February 2015.

(Cr. Durkin/Cr. Walker)

12) WBC ALLIANCE - PROJECT OFFICER'S REPORT (CM.AG.6)

15/028 RESOLVED:

That the information be noted.

(Cr. Braddon/Cr. Griffiths)

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

15/029 RESOLVED:

That the information be noted.

(Cr. Durkin/Cr. McClelland)

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

15/030 RESOLVED:

That the information be noted.

(Cr. Griffiths/Cr. McClelland)

15) QUESTIONS ON NOTICE

No questions on notice were received.

**16) WATER LEAKAGE - ACCOUNT 1816010001 (CR.EQ.1)
WATER LEAKAGE - ACCOUNT 40904000003 (CR.EQ.1)**

15/031 RESOLVED:

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.

(Cr. Walker/Cr. Braddon)

17) PROCEED TO COMMITTEE OF THE WHOLE

15/032 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

Proceedings in Brief

Cr. Griffiths declared a conflict of interest in Item 1 (Water Leakage Account 1816010001) and vacated the meeting at 11.51am.

WATER LEAKAGE - ACCOUNT 1816010001 (CR.EQ.1)

RECOMMENDATION:

That the consumer be granted a 50% reduction in water charges for the January 2015 water account.

(Cr. McClelland/Cr. Walker)

Cr. Griffiths returned to the meeting at 11.58am.

WATER LEAKAGE - ACCOUNT 40904000003 (CR.EQ.1)

RECOMMENDATION:

That the consumer be granted a 40% reduction in water charges for the January 2015 water account.

(Cr. Walker/Cr. McClelland)

RECOMMENDATION:

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

(Cr. Walker/Cr. Durkin)

18) REPORT OF THE COMMITTEE OF THE WHOLE

15/033 RESOLVED:

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

(Cr. McClelland/Cr. Braddon)

Next Meeting: The next meeting of Central Tablelands Water will be held in Canowindra on 10th June 2015.

There being no further business, the Chairman declared the meeting closed at 12.10pm.