

# CENTRAL TABLELANDS *Water*



**Business Paper**

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

**10<sup>th</sup> October 2018**

**Grenfell**



6<sup>th</sup> October 2018

## Notice to Members

Your attendance is requested at an Ordinary Meeting of Council to be held at the Weddin Shire Council Chambers in Grenfell on Wednesday, 10<sup>th</sup> October 2018 at 10.30am. Morning tea will be served at 10.00am.

### Agenda

1. Public Forum
2. Apologies for non-attendance
3. Confirmation of Minutes - Ordinary Meeting held on 8.08.18
4. Disclosures of interests
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 – Canowindra – 12<sup>th</sup> December 2018

Yours faithfully

G. Rhodes  
**General Manager**

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**HELD ON WEDNESDAY 10 OCTOBER 2018**

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

**Author:** General Manager

**IP&R Link:** Strategic Priority 3 – Regional leadership and collaboration

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**RECOMMENDATION:**

That Council adopt the ordinary voting system for election of Chairman and Deputy Chairman.

**REPORT**

The Local Government Regulations (Schedule 8 Parts 1&2) state that ‘an election for chairperson of a county council is to be held: (a) at the first meeting of the county council after an ordinary election of members of the county council, and (b) at the first meeting of the county council after each anniversary of that ordinary election until the next ordinary election of members of the county council is held.’

The procedures for election of the Chairman and Deputy Chairman can be summarised as follows:

- nominations are to be announced and elections are to be conducted at the same council meeting.
- a nomination is to be made in writing by 2 or more councillors, one of who may be the nominee.
- Council must resolve that the election proceed by preferential ballot, ordinary ballot or open voting.
- preferential ballots and ordinary ballots must be secret ballots.

Nomination forms are enclosed with the business paper. Nominations can be made at the meeting, prior to the conduct of elections.

Council has in the past opted to use the ordinary voting system for election of both Chairman and Deputy Chairman.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

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

**Author:** General Manager

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.3 – Improving performance and managing risk  
Strategic Priority 3 – Regional leadership and collaboration - 3.1 Regional collaboration and partnerships.

**RECOMMENDATION:**

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

**REPORT**

Council has only 1 constituted committee, namely, the Internal Audit Risk and Improvement Committee and is represented by the Chairman and General Manager on the Centroc and Central NSW Joint Organisation Boards.

**Internal Audit Risk and Improvement Committee**

On 10 August 2011, Council resolved that membership of the Audit Committee, as outlined in the Audit Committee Charter, be amended to comprise of the Chairman (or delegate), two (2) external independents, the General Manager as an observer, and the Director Finance and Corporate Services assuming the role of Secretariat to the Audit Committee (responsible for the coordination of the audit committee, functions and processes).

The charter for the Internal Audit Risk and Improvement Committee has recently been reviewed. Expressions of Interest (EOI) are currently being sought for independent members.

**Centroc Board and Central NSW Joint Organisation (JO) Board**

The Centroc and Central NSW JO boards meet three or four times a year. CTW are represented on the boards by the Chairman and General Manager. There will be a transition period from Centroc to the Central NSW JO over the following 12 months. CTW is an associate member of the Central NSW JO.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

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

**Author:** General Manager

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.5.5 – Good governance in place with timely management of council meetings.

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**RECOMMENDATION:**

1. That Council hold its ordinary meetings for the next 12 months on the following dates:

Wednesday	12 <sup>th</sup> December 2018	-	Canowindra
Wednesday	13 <sup>th</sup> February 2019	-	Blayney
Wednesday	17 <sup>th</sup> April 2019	-	Grenfell
Wednesday	12 <sup>th</sup> June 2019	-	Canowindra
Wednesday	14 <sup>th</sup> August 2019	-	Blayney
Wednesday	9 <sup>th</sup> October 2019	-	Grenfell
2. Council consider the Draft Operational Plan and Budget at the April ordinary meeting each year.

**REPORT****Special Meetings**

Council has held special meetings as determined by Council, or call of the Chairman, by giving 5 days written notice, or such shorter notice as emergency circumstances dictate.

**Ordinary Meetings**

Council has previously held its ordinary meetings on the 2<sup>nd</sup> Wednesday of alternate months, as follows:

February	-	Grenfell
April	-	Blayney
June	-	Canowindra
August	-	Grenfell
October	-	Blayney
December	-	Canowindra

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

#### **04) DISCLOSURES BY COUNCILLORS AND DESIGNATED PERSONS (GO.CO.3)**

**Author:** General Manager

**IP&R Links:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation – 2.3 Improving performance and managing risk.

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#### **RECOMMENDATION:**

That the “Disclosures by Councillors and Designated Persons” Returns for the period ending 30 June 2018, as tabled be received.

#### **REPORT**

In accordance with Sect 450A of the Local Government Act 1993, all returns disclosing interests of Councillors and designated persons, for the period 1 July 2017 to 30 June 2018, must be tabled at the first meeting of Council following the last day for lodgement of the returns. This date was 30 September 2018.

Accordingly, a copy of the returns will be tabled at this meeting for each Councillor, who held office at 30 June 2018, and the General Manager who was the only designated person during that period.

As noted above, this is a requirement of the Local Government Act Sect 450A.

#### **BUDGET IMPLICATIONS**

Nil

#### **POLICY IMPLICATIONS**

Nil

#### **ATTACHMENTS**

Nil

**05) SAFE & SECURE WATER PROGRAM UPDATE (GR.SL.2)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.2.7 – Secure grant funding where available to support delivery and development of services and infrastructure.

Strategic Priority 3 – Regional leadership and collaboration – 3.1.1 Work closely with Central West JO (through Water Alliance) for regional water security – 3.1.2 – Participate in opportunities for resource, expertise and knowledge sharing with Central West JO – 3.1.4 – Develop a regional water security strategy.

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**RECOMMENDATION:**

1. That Council note the report;
2. That Council endorse the engagement of Geolyse by CTW Senior Management to undertake the Lithgow to Kings Plains Water Transfer Pipeline scoping study, due to their knowledge of the proposed pipeline area and expertise in completing water security scoping studies,
3. That Council support CTW Senior Management in preparing and submitting an expression of interest and detailed application for a water supply feasibility study at Caragabal, under the Safe & Secure Water Program in consultation with Weddin Shire Council, Caragabal Water Scheme Incorporated and the Caragabal community.

**REPORT**

As previously reported, the NSW Government announced in June 2017 the Safe and Secure Water Program (SSWP) targeting water and sewerage projects in regional NSW to ensure infrastructure meets contemporary standards for water security, public health, environmental and safety outcomes into the future. The SSWP provides co-funding to successful applicants for water and sewerage infrastructure.

**Reservoir and Trunk Main K**

On 27 November 2017, CTW submitted an Expression of Interest (EOI) for 50% funding for construction of a 12 ML reservoir at Carcoar Water Treatment Plant and completion of Trunk Main K. The construction of a 12 ML reservoir at the head of the network would enable CTW to provide contingency across the broad CTW network during normal operations as well as during emergencies, where regional linkages may be operated.

The General Manager was advised by the SSWP on 23 February 2018 that CTW's EOI had been considered eligible to proceed to the next stage of the assessment process, i.e. submission of a business case for detailed application assessment.

CTW Senior Management engaged Western Research Institute (WRI) Ltd in the preparation of the detailed business case. WRI have extensive experience in preparing and writing funding applications, and collating data and analysis to support successful bids.

WRI completed the cost benefit analysis on the 12 ML reservoir proposal and drafted the detailed submission in consultation with CTW's Senior Management Team



(SMT). The SMT reviewed and submitted the detailed proposal to the SSWP Technical Review Panel on 3 September 2018 for consideration.

WRI have also completed a draft detailed submission for the Trunk Main K (Stage 3) proposal and provided the draft to the SMT to complete and submit. The SMT is currently working on this submission.

#### Scoping Study - Lithgow to Kings Plains Water Transfer Pipeline

It was resolved at the Centroc Board meeting held in Condobolin on 22 February 2018 that funding be sought for a scoping study from the SSWP with CTW as proponent for a potential water transfer pipeline between Lithgow and Kings Plains with links to storage.

Subsequently, CTW in consultation with Centroc Executive staff, submitted an EOI to the SSWP on 23 March 2018, seeking funding for a scoping study to consider a water transfer pipeline project from Lithgow to Kings Plains.

The General Manager was advised by the SSWP on 22 May 2018 that CTW's EOI had been considered eligible to proceed to the next stage of the assessment process, i.e. submission of a detailed application (Phase 1). As timing is critical for this proposed Scoping Study, the detailed application was submitted to the SSWP on 8 June for assessment by the Technical Review Panel on 21 June 2018.

The scoping study is supported by Centroc as it has the potential to increase water security in the Central NSW region. If the detailed application was successful, the scoping study would be funded by the SSWP (50%), CTW (25%) and Centroc (25%).

Unfortunately, CTW was formally advised by the SSWP Chair on 24 September 2018 that the scoping study was deemed to be ineligible for funding under the SSWP guidelines as it did not demonstrate alignment with NSW government priorities or regional strategic planning.

The reasons for funding ineligibility for the scoping study are perplexing due to water security being a current NSW government priority and the Department of Industry Water Regional Water strategy yet to be completed.

As CTW and Centroc remain committed to undertake the scoping study, CTW after seeking proposals from industry experts, engaged Geolyse due to their knowledge of the proposed pipeline area and expertise in completing water security scoping studies. The cost of the study will be shared on a 50/50 basis between CTW and Centroc. A steering committee will be formed to progress this important regional water security project.

#### Feasibility Study - Caragabal Water Supply

Following discussions with Cr Best and CTW's Director Operations & Technical Services (DOTS) surrounding potential drought funding for the Weddin Shire Council local government area, the General Manager (GM) wrote to the Member for Cootamundra, Steph Cooke MP on 25 September 2018 offering CTW's support to project manage a water supply feasibility study (subject to funding) on behalf of and in consultation with the Caragabal community and district. It is estimated that a full feasibility study would cost up to \$100k.

The GM was advised by the Senior Policy Advisor for the Minister for Regional Water on 2 October that funding for the feasibility study would have to be sought from the SSWP. The GM has been further advised by the SSWP contact officer that due to

the current drought conditions in the Caragabal area, an EOI and detailed application for the feasibility study can be submitted simultaneously.

**BUDGET IMPLICATIONS**

Operational Plan 2018/19

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**06) FUTURES STRATEGIC WORKSHOP (GO.CO.1)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.3 – Improving performance and managing risk – 2.3.6 Complete a strategic futures review of the operating model of CTW to maximise independence and relevance.

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**RECOMMENDATION:**

1. That Council note the report, and
2. That Council write to all constituent councils acknowledging their participation and contribution to the CTW Futures Strategic Workshop.

**REPORT**

At the February 2017 Council meeting, the Chairman presented his minute regarding the merger proposals by the NSW Government. The Chairman further advised that if the mergers did not proceed, he would convene a meeting of councillors and representatives of CTW's constituent councils to plan for the development of CTW as a strong and independent local water utility.

As the merger between Blayney, Cabonne and Orange Councils did not proceed, a CTW Futures Strategic Workshop was arranged.

The Futures Strategic Workshop was held on 6 September 2018 in Blayney. All CTW Councillors, senior management, constituent council's mayors and general managers were invited to attend.

The workshop was facilitated by Risk Edge team (Dr Annette Davison and Ms Sarah Loder of City Water Technology). The workshop was well received by attendees, with many positive ideas and potential strategies raised with regards to CTW operating into the future. A workshop summary paper will be presented to Council and all attendees once finalised.

**BUDGET IMPLICATIONS**

September 2018 QBRS

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**07) ORGANISATIONAL STRUCTURE AND SALARY SYSTEM REVIEW  
PROJECT- UPDATE (PE.EC.1)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.4 – A capable and motivated workforce.

2.4.1 - Develop and implement a workforce management strategy and plan including a review of salary and organisation structure.

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**RECOMMENDATION:**

That Council note the report.

**REPORT**

As reported at the June Council meeting, a full salary system and organisational structure review will be undertaken during FY 2018/2019. The review is to be conducted by an independent human resources expert in consultation with all CTW employees, the United Services Union, and LGNSW.

Donna Galvin from Donna Galvin Consulting (DGC) has been appointed as the independent human resources expert to facilitate and complete the review.

Donna has over 26 years of experience in human resources (HR) and organisational improvement roles, with 17 years in local government holding senior HR and management positions. Donna has qualifications in HR Management and is a Professional Member of the Australian HR Institute.

The purpose of the review is to:

- Review current HR practices relating to annual performance appraisals, position descriptions, evaluations, salary frameworks and administration.
- Identify ways to enhance capability of staff through targeted training programs.
- Ensure that current practices and frameworks continue to align with the Local Government (State) Award requirements.
- Ensure CTW has the right structure, capability and capacity in its workforce to continue making CTW a capable and efficient water authority.

Donna presented CTW staff with an update on the progress of the Organisational Structure and Salary System Review on 12 September. This included an update on draft position descriptions and summarised results of the Employee Satisfaction Survey.

A corporate services staff co-design resourcing workshop is planned for the end of October when Donna returns from overseas. This workshop will further assist in finalising the organisational structure.

As mentioned previously, this review will be conducted in consultation with all CTW employees, the United Services Union, and LGNSW Industrial Relations.

Regular updates will be provided to Council as the project progresses.

**BUDGET IMPLICATIONS**

Operational Plan 2018/2019

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**08) RENEWABLE ENERGY ACTION PLAN (CM.ES.3)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 1 – Providing a high quality and reliable drinking water supply – 1.4 Mitigate environmental impact of service delivery – 1.4.3 – Develop and implement an energy cost reduction strategy.

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**RECOMMENDATION:**

1. That Council note and receive the Central Tablelands Water Renewable Energy Action Plan as tabled; and
2. That Council continues to support the Senior Management Team in further investigating potential renewable energy projects which reduce operating costs and increase the affordability, reliability and water security for the region.

**REPORT**

As reported at the June 2017 Council meeting, Central Tablelands Water partnered with Blayney Shire Council to submit a funding application for the NSW Government's Innovation Fund. The joint application was titled "Blayney Alliance Regional Renewable Energy Strategy Project" and was successful in receiving \$183,281 of funding.

The NSW Government's Innovation Fund worth \$4million aims to help small councils in regional NSW overcome some of the challenges they face in supporting their communities and maintaining quality local services. The one-off grants are provided to help councils develop new ideas or innovative ways of working and improve their performance to benefit their local communities.

The aim of the Blayney Alliance Regional Renewable Energy Strategy Project is to assist in reducing the climate change impact on the environment, whilst at the same time providing energy efficiencies and operational cost savings for both organisations.

As a result of this project, CTW engaged the services of Skillset Environment to undertake an Energy Audit, which included a detailed analysis of electricity consumption for CTW sites. The Energy Audit has now been completed resulting in the development of a CTW Renewable Energy Action Plan. The Renewable Energy Action Plan will be tabled at the meeting.

The Renewable Energy Action Plan reflects CTW's leadership stance in the delivery of energy efficiency and renewable generation projects for the benefit of the organisation and the community.

CTW have already embarked on their first renewable energy project by recently installing solar panels at the Administration Office in Blayney, with solar aligned power meters due to be installed on 5 November 2018.

CTW is committed to maximising the use of renewable energy technology to reduce operating costs and increase the affordability, reliability and water security for the region.

The Senior Management Team are meeting with Skillset Environment on 18 October to further discuss the potential renewable energy projects identified in the plan.

**BUDGET IMPLICATIONS**

Operational Plan 2018/2019

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**09) LGNSW WATER MANAGEMENT CONFERENCE 2018 (CM.CF.1)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 3 – Regional leadership and collaboration – 3.2 Industry and regional leader in the water sector – 3.2.1 – Explore opportunities to influence water industry policy and direction through participation in industry groups and bodies.

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**RECOMMENDATION:**

That Council note the report.

**REPORT**

Cr Somervaille (Chairman), Cr Durkin, General Manager and Director Operations & Technical Services attended the 2018 LGNSW Water Management Conference in Armidale from 3 September to 5 September 2018.

The annual LGNSW Water Management Conference presents a broad range of information from a local government perspective on water management issues associated with water supply and sewerage services provided by water utilities.

Conference presentations included; smart metering; the future of urban water reform; role of elected representatives in water management; managing risk in the water industry; technology and innovation; and a site visit to the Armidale water treatment plant (including ozone facility) and sewerage treatment plant, whereby treated effluent is utilised to operate a profitable farming business unit (pasture and stock).

Incidentally since the conference, CTW has ordered 100 smart meters. These smart meters will be installed in the Trajere and Eugowra areas as a pilot program for CTW's rural customers. Smart metering allows for real-time monitoring of water flow, pressure and quality, as well as early identification of issues such as water loss through leaks or other unaccounted use of water.

The conference was also a great opportunity to network with fellow water industry colleagues and see the latest technology in water management.

**BUDGET IMPLICATIONS**

Operational Plan 2018/2019

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil



**10) CENTROC AND CENTRAL NSW JOINT ORGANISATION BOARD MEETINGS HELD 23 AUGUST 2018 AT PARLIAMENT HOUSE CANBERRA (CM.CF.3)**

**Author:** General Manager

**IP&R Link:** Strategic Priority 3 – Regional leadership and collaboration – 3.1  
Regional collaboration and partnerships – 3.1.1 – Work closely with Central NSW JO (through Water Alliance) for regional water security – 3.1.2 – Participate in opportunities for resource, expertise and knowledge sharing with Central NSW JO.

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**RECOMMENDATION:**

That Council note the report and associated minutes of the Centroc Board and Central NSW Joint Organisation meetings held 23 August 2018.

**REPORT**

A Centroc Board meeting and Central NSW Joint Organisation meeting were held at Parliament House in Canberra on 23 August 2018. The Chairman and General Manager represented CTW at both meetings.

Unfortunately due to the impending Liberal leadership spill, many Ministers were apologies on the day and therefore could not attend the portfolio briefing sessions.

From a local government water supply authority perspective, it was pleasing to hear the Member for Calare, Mr Andrew Gee MP continue to support and encourage current and future regional water infrastructure projects.

A copy of the Mayoral Report and the Minutes from both meetings held 23 August 2018 are attached to this report for your information.

**BUDGET IMPLICATIONS**

Operational Plan 2018/2019

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- |   |   |         |
|---|---|---------|
| 1 | Centroc & Central NSW JO Mayoral Report | 4 Pages |
| 2 | Centroc Board Meeting Minutes           | 5 Pages |
| 3 | Central NSW JO Meeting Minutes          | 3 Pages |



**Report from the Mayor attending the Board meetings of  
Centroc Board and the Central NSW Joint Organisation  
23 August 2018  
held in the Committee rooms at Parliament House Canberra**





I attended the Centroc and Central NSW Joint Organisation Board meetings at Parliament House Canberra 23 August 2018. With the spill looming Parliament house was awash with media, uncertainty and heightened security.

By 12.00pm news had spread that Parliament had dissolved for the day and was adjourned until 10 September which meant we were not able to go to question time.



Prior to the announcement the Board met with the Hon Michael McCormack, Deputy Prime Minister and Member for the Riverina our official host for the day. The Board were grateful to hear from him first hand given the unusual circumstances at Parliament that day. The Deputy Prime Minister was thanked for his commitment to the funding for the Newell Highway. The Board spoke further about the drought and he suggested the region keep coming Canberra with their solutions to help in the growing crisis. He and his staff were thanked for their support over the day especially given the circumstances.

The Board also heard from the then Minister for Social Services, The Hon Dan Tehan. The Board did put forward some suggestions on ways to help communities through the Drought. Minister Tehan asked to send through, these will be forwarded to the new Minister responsible for Social Services.



Member for Calare, Mr Andrew Gee, addressed the Board, following conversations on drought and the work of Water Infrastructure and further achievements by Centroc. The following Ministers were apologies on the day. While the region has a strong line up of Ministers they were unable to attend at the last minute.

At 12.30pm Chair Cr John Medcalf and Mr Jock Carter Co - Chaired a meeting of the Central West Taskforce. The Taskforce attendees included Mr Ken Gillespie, Mr Don Murray, Michael Kneipp, Nicholas White, Phil Anderson, Nicholas Berry and Diane Sucur. The Board had a robust discussion on priorities in rail lines, freight, corridors, heavy vehicles and public transport.

The Taskforce will provide the key discussion items summarised from the meeting for distribution.

Also in attendance at the Board meeting was Chair of RDACW, Ms Christine Weston, Ms Jayne Humphries Senior Project Officer at Department of Premier and Cabinet (NSW) and Ms Karen Purser, Council Engagement Manager, Office of Local Government.



At 2.05pm the Central NSW Joint Organisation meeting was held. Where a significant amount of the meeting was procedural, the Chair reported on a meeting of the Chairs of Joint Organisations in Sydney. The Chairs were addressed from the Premier down and it was clear that the State is seeking advice on regional priorities. The Chairs have agreed to give consideration to a potential collaborative approach and to support this the Board resolved that a one page document on priorities requested from the Chairs of Joint Organisations for member feedback be circulated.

I provide the following report for Council's information, along with the meeting minutes for both the Board and the Central NSW Joint Organisation.



**Transport Infrastructure** – The Centroc Board continue advocating regarding the need for a safe swift link between Central NSW and Western Sydney.

**Water Infrastructure** - A verbal update from Meredith Macpherson Water Utilities Alliance Program Manager was given. Including an update on the strategies and actions for the CWUA Strategic Business Plan review to be undertaken as part of the Joint Organisation strategic process.

The Board resolved that Advocacy for water for our region in this catastrophic drought is to be ramped up. This includes the work through the Drought Subcommittee that are to meet again early September.

It was resolved that a media release be developed for members for the greater water security and potentially revisit the cases like raising the wall at Wyangala as an urgent step.

The Chair and Executive will nominate a representative to LGNSW for their Water Subcommittee.





**Health** – The Board resolved to review the Beyond the Range, program and build broader health skills for the region. The Board will seek advice from Health Councils on this matter.

**Regional Development** – A verbal update was given to the Board from the Chair of RDACW Christine Weston.

**JO Report** - The Chair gave an update on the recent joint meeting of Joint Organisations held in Sydney the week beforehand. Where the general feedback was the Office of Local Government have been working well with the JOs.

**Tourism** – The Board resolved to resubmit the application for the Building Better Regions Fund.

**Operational** – The Board were updated on the \$6.8m in grant funding that Centroc has assisted members in obtaining since 2009.

Included in the briefing material to Ministers was the Southern Lights Project, where significant effort is being undertaken across Southern NSW on a collaborative project to deliver LED with smart controls street lighting leveraging State and Federal funding where possible.

The Board resolved to write to the Minister for Environment and Energy, now the Hon Angus Taylor, as well as The Hon Michael McCormack regarding the support for small load metering for streetlighting.

**Financial** – The Board noted the 2017/2018 budget result of a cumulative anticipated surplus of \$197,881. It was agreed that Tourism funds remaining at 30 June 2018 estimated at \$96,223 be reserved for that project.

All activities through Centroc and the Central NSW Joint Organisation are progressing well.

I commend this report to you for noting.

Recommendation/s
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That the Mayoral Report from the Centroc Board and Central NSW Joint Organisation Meeting 23 August 2018 at Parliament House Canberra be noted.
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**Confirmation of Minutes of the Board Meeting 23 August 2018 held at Parliament House Canberra**  
**Board Delegates in bold**

<b>Cr G Hanger</b>	Bathurst Regional Council	<b>Cr M Liebich</b>	Weddin Shire Council
<b>Mr D Sherley</b>	Bathurst Regional Council	<b>Mr G Carroll</b>	Weddin Shire Council
<b>Cr S Ferguson</b>	Blayney Shire Council	Ms C Weston	RDA Central West
<b>Ms R Ryan</b>	Blayney Shire Council	Mr J Carter	DPC
<b>Cr D Somerville</b>	Central Tablelands Water	Mr K Gillespie	DPC
<b>Mr G Rhodes</b>	Central Tablelands Water	Mr D Murray	DPC
<b>Cr B West</b>	Cowra Council	Mr N Berry	DPC
<b>Mr P Devery</b>	Cowra Council	Mr N White	DPC
<b>Cr G Miller</b>	Forbes Shire Council	Mr M Kneipp	DPC
<b>Mr S Loane</b>	Forbes Shire Council	Mr P Anderson	DPC
<b>Cr J Medcalf</b>	Lachlan Shire Council	Ms D Sucur	DPC
<b>Mr G Tory</b>	Lachlan Shire Council	Mr J Humphreys	DPC
<b>Cr S Lesslie</b>	Lithgow City Council	Ms K Purser	OLG
<b>Mr A Muir</b>	Lithgow City Council	Ms J Bennett	Centroc
<b>Cr K Sajowitz</b>	Oberon Council	Ms Meredith Macpherson	Centroc
<b>Mr G Wallace</b>	Oberon Council	Ms Kate Barker	Centroc
<b>Mr M Burdack</b>	Orange City Council	Ms Carolyn Griffin	Centroc
<b>Cr K Keith</b>	Parkes Shire Council	Ms Verity Page	Centroc

**1. Welcome By Chair John Medcalf 9.30am**

**The Honourable Dan Tehan Minister for Social Services**  
**9.30am - 9.54am**

**Andrew Gee**  
**9.54am – 10.07am**

**Deputy Prime Minister Michael McCormack**  
**10.07am - 10.10am**

**The Centroc Board meeting was opened at 10.15am by Chair Cr J Medcalf**

**2. Apologies**

Cr R Kidd, Cr K Beatty, Mr S Harding, Mr K Boyd, Mr G Styles, Mr G Faulkner, Cr B McCormack, Mr J Bell, Cr B Ingram, Mr D Aber, Ms J Andrews, Mr A Albury

<b>Resolved</b>	<b>Cr M Liebich/Cr B West</b>
That the apologies for the Centroc Board meeting 23 August 2018 listed above be accepted.	

**3. Minutes**

**3a Noting of the Minutes of the GMAC Meeting 26 July 2018**

<b>Resolved</b>	<b>Mr D Sherley/Mr P Devery</b>
That the Minutes of the Centroc GMAC Meeting 26 July held in Orange be noted.	

**3b Confirmation of the Minutes of the Board Meeting 24 May 2018 at Parliament House**

<b>Resolved</b>	<b>Cr B West/Mr D Sherley</b>
That the Minutes of the Centroc Board Meeting 24 May 2018 held at Parliament House be confirmed.	

**3c Noting of the Minutes of the Inaugural Central NSW Joint Organisation meeting 24 May 2018 held at Parliament House Sydney**

<b>Resolved</b>	<b>Cr S Ferguson/Cr K Keith</b>
That the Minutes of the Inaugural Central NSW Joint Organisation meeting 24 May 2018 held at Parliament House be noted.	

**3d Noting of the Minutes of the Special Meeting 26 July 2018 at Orange**

<b>Resolved</b>	<b>Mr D Sherley/Cr S Ferguson</b>
That the Minutes of the Centroc Special Meeting 26 July 2018 held at Orange be noted.	

**3e Noting of the Minutes of the Centroc Executive Meeting 26 July 2018 at Orange**

<b>Resolved</b>	<b>Mr D Sherley/Cr B West</b>
That the Minutes of the Centroc Executive Meeting 26 July 2018 held at Orange be noted.	

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

<b>Resolved</b>	<b>Mr D Sherley/Cr G Miller</b>
That the Board note the Matters in Progress, making deletions as suggested.	

**5 Correspondence****5a Correspondence In**

<b>Resolved</b>	<b>Mr D Sherley/Cr B West</b>
That the Board note the incoming correspondence.	

**5b Correspondence Out**

<b>Resolved</b>	<b>Cr K Keith/Mr D Sherley</b>
That the Board note the outgoing correspondence.	

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

<b>Resolved</b>	<b>Cr K Keith/Cr G Miller</b>
That the Board note the Transport Infrastructure Report.	

**Deputy Prime Minister Michael McCormack returned 10.27am-10.41am**



**10.41am-10.45am Dr John McVeigh Policy Advisor Mr Bruce McVells addressed the Board**

**Meeting adjourned 10.45am**

**Meeting resumed 11.10am**

**6b Water Infrastructure Report**

<b>Resolved</b>	<b>Cr D Somerville/Cr M Liebich</b>
That the Board note the Water Infrastructure report; and	
<ol style="list-style-type: none"> <li>1. Endorse the submission to the National Health and Medical Research Council on the Draft revised Chapter 5 Microbial Quality of Drinking Water and Technical Appendix; and</li> <li>2. Note the strategies and actions for the CWUA Strategic Business Plan review with a further report and review to be undertaken as part of the Joint Organisation strategic process;</li> <li>3. Ramp up advocacy for water for our region in this catastrophic drought;</li> <li>4. Develop a media release for members for the greater water security and potentially revisit the cases like raising the wall at Wyangala as an urgent step; and</li> <li>5. Chair and Executive to nominate a representative to LGNSW for their Water Subcommittee.</li> </ol>	

**6c Health Report**

<b>Resolved</b>	<b>Mr G Carroll/Cr B West</b>
That the Board note the Health Report; and	
<ol style="list-style-type: none"> <li>1. Review the Beyond the Range project from a broader health skills perspective;</li> <li>2. Seek advice from Health Councils in this regard; and</li> <li>3. Receive a report on skills and course profiles for growing our own health workforce in Central NSW.</li> </ol>	

**6d Regional Development**

<b>Resolved</b>	<b>Cr B West/Mr D Sherley</b>
That the Board note the Regional Development Report; and	
<ol style="list-style-type: none"> <li>1. Note that de-identified advice from the digital assessment process through RDA Central West will inform advocacy to various stakeholders with regard to the need for investment in the region;</li> <li>2. Commend to members they             <ol style="list-style-type: none"> <li>a. Give permission to Centroc and RDA Central West to use the Digital Assessments to provide advice to Mobile Network Operators, key agencies and elected officials to build the case for the need for investment in their LGAs;</li> <li>b. Take up the opportunities provided by RDA Central West to negotiate with Mobile Network Operators to improve telecommunications as identified in the RDA Central West Digital assessment process.</li> </ol> </li> <li>3. Write to the Office Local Government seeking agreement on a suitable timeframe for Joint Organisation strategic work.</li> </ol>	

**6e JO Report**

<b>Resolved</b>	<b>Mr D Sherley/Cr K Keith</b>
That the Board note the Joint Organisation Report.	



**6f Planning Report**

<b>Resolved</b>	<b>Mr D Sherley/Cr G Miller</b>
That the Board note the Planning Report and endorse the submission to the Central West & Orana Sport and Active Recreation Plan 2018 -2023	

**Taskforce Central West Transport Taskforce members arrived**

**Meeting adjourned 11.45am**

**Lithgow City Council left the meeting**

**12.30pm Central Taskforce Discussion Chaired by Mr Jock Carter and Cr John Medcalf**

**Key actions from the discussions will be circulated to Members for feedback**

**Taskforce Central West Transport Taskforce members departed**

**Meeting resumed at 2.00pm**

**6g Tourism Report**

<b>Resolved</b>	<b>Ms R Ryan/Cr G Miller</b>
That the Board note the Tourism Report and resubmit a funding application under Building Better Regions Fund.	

**6h Operational Report**

<b>Resolved</b>	<b>Mr D Sherley/Mr P Devery</b>
That the Board note the Operational report and write to the Minister for Environment and Energy, The Hon Josh Frydenberg as well as The Hon Michael McCormack regarding the support for small load metering for streetlighting	

**6i Financial report**

<b>Resolved</b>	<b>Mr D Sherley/Mr S Loane</b>
That the Board note the Financial Report and;	
1. gives permission for the audited accounts to be signed under the auspices of the Treasurer if the final result after the audit does not differ greatly from figures presented in the report;	
2. that Tourism funds remaining at 30 June 2018 estimated at \$96,223 be reserved for that project; and	
3. note the 2017/2018 budget result of a cumulative anticipated surplus of \$197,881.	

**7. Late Reports - Nil****8. Other Matters**

<b>Resolved</b>	<b>Cr B West/Mr D Sherley</b>
That the next Board meeting is to be held in Oberon.	



9. The Member for Riverina, The Hon Michael McCormack and his staff were thanked for the ongoing support hosting the Centroc Board at Parliament House.

10. Speakers to the next meeting

11. Next Meetings

25 October 2018 – GMAC

25 October 2018 – Executive

22 November 2018 – Board

The General Meeting of the Board closed at 2.05 pm

Page 4 is the last page of the Centroc Board Minutes 23 August 2018



### Minutes of the Central NSW Joint Organisation meeting 23 August 2018 Parliament House

#### Present Members (in Bold)

<b>Cr G Hanger</b>	Bathurst Regional Council	<b>Cr J Medcalf</b>	Lachlan Shire Council
<b>Cr S Ferguson</b>	Blayney Shire Council	<b>Cr K Sajowitz</b>	Oberon Council
<b>Cr B West</b>	Cowra Council	<b>Cr K Keith</b>	Parkes Shire Council
<b>Cr G Miller</b>	Forbes Shire Council	<b>Cr M Liebich</b>	Weddin Shire Council

#### Attendees

Mr G Tory	Lachlan Shire Council	Lt G K Gillespie	DPC
Mr D Sherley	Bathurst Regional Council	Mr D Murray	DPC
Ms R Ryan	Blayney Shire Council	Mr N White	DPC
Mr P Devery	Cowra Council	Mr N Berry	DPC
Mr S Loane	Forbes Shire Council	Ms J Humphreys	DPC
Mr G Wallace	Oberon Council	Ms K Purser	OLG
Mr M Burdack	Orange City Council	Ms J Bennett	Centroc
Mr G Carroll	Weddin Shire Council	Ms M Macpherson	Centroc
Cr D Somervaille	CTW	Ms K Barker	Centroc
Mr G Rhodes	CTW	Ms C Griffin	Centroc
Ms C Weston	RDACW	Ms V Page	Centroc

#### Meeting opened 2.05pm, Chaired by Chair Cr John Medcalf

- Apologies** -Cr R Kidd, Cr K Beatty, Mr K Boyd, Mr G Styles, Mr S Harding, Mr A Albury, Ms J Andrews

<b>Resolved</b>	<b>Cr K Keith/Cr B West</b>
That the apologies for the Central NSW Joint Organisation Board meeting 23 August 2018 listed above be accepted.	

- Confirmation of the Minutes of the Inaugural Central NSW Joint Organisation meeting 24 May 2018 Preston Stanley Room Parliament House Sydney**

<b>Resolved</b>	<b>Cr K Keith/Cr S Ferguson</b>
That the Central NSW Joint Organisation Board note the Minutes of the Inaugural Central NSW Joint Organisation meeting 24 May 2018 Preston Stanley Room Parliament House Sydney	

- Business Arising from the Minutes – Matters in Progress**

<b>Resolved</b>	<b>Cr B West/Cr G Miller</b>
That the Central NSW Joint Organisation Board note the Matters in Progress, making deletions as suggested.	

- Central NSW Joint Organisation Draft Charter**

<b>Resolved</b>	<b>Cr G Hanger / Cr K Sajowitz</b>
That the Board note the report on the Central NSW Joint Organisation Charter and 1. adopt the Draft Charter for the Central NSW Joint Organisation amending:	



a capitation fee [based on the number of ordinary rate assessments issued by each Member Council],

to

a capitation fee (based on ABS population data by LGA and reviewed each census)

2. place the Charter on the Central NSW Joint Organisation website and
3. receive a report comparing fee structures using ordinary rate assessments and ABS population data.

#### **Amendment to item 4.**

#### **4. Central NSW Joint Organisation Draft Charter**

<b>Resolved</b>	<b>Cr B West/Cr G Miller</b>
That the Board note the report on the Central NSW Joint Organisation Charter and	
1. adopt the Draft Charter for the Central NSW Joint Organisation	
2. place the Charter on the Central NSW Joint Organisation website; and	
3. receive a report comparing fee structures using ordinary rate assessments and ABS population data.	

The amendment became the motion.

The motion was put and carried.

#### **5. Payment of Expenses and the Provision of Facilities to Board Members Policy**

<b>Resolved</b>	<b>Cr K Keith/Cr S Ferguson</b>
That the Board adopt the draft policy for the payment of expenses and the provision of facilities to Board members and the Chairperson.	

#### **6. Code of Meeting Practice**

<b>Resolved</b>	<b>Cr B West/Cr G Miller</b>
That the Board Adopt the draft Code of Meeting Practice	

#### **7. Central NSW Joint Organisation Draft Budget and Statement of Revenue Policy 2018-2019**

<b>Resolved</b>	<b>Cr K Keith/Cr G Hanger</b>
That the Board note the Report on the Central NSW Joint Organisation Draft Budget and Statement of Revenue Policy 2018-2019.	

Ms J Bennett declared a pecuniary interest in the matter as it related to her employment and left the room. Centroc staff (M Macpherson, K Barker, C Griffin, V Page) also left the room.

#### **8. Appointment of Executive Officer for CNSWJO**

<b>Resolved</b>	<b>Cr B West/Cr G Miller</b>
That subject to final ratification by the Board of the appointment, the Chairperson be delegated the authority to finalise the appointment of the Executive Officer, including remuneration. The Chairperson will consult with the Interview Panel as to the final recommendation.	

Ms J Bennett and Centroc staff returned to the room.



#### 9. Administration Update

Resolved	Cr G Miller/Cr G Hanger
That the Board note the timeline for the implementation of the JO; and The Executive Officer circulate a one page document on priorities requested from the Chairs of Joint Organisations for member feedback.	

**Next meeting of the Joint Organisation is 22 November 2018**

**Meeting closed 2.26 pm**

**Page 3 is the last page of the Central NSW Joint Organisation meeting 23 August 2018**

**11) COUNCIL RESOLUTIONS UPDATE REPORT (GO.CO.1)**

**Author:** General Manager

**IP&R Link:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation – 2.5.5 Good governance in place with timely management of council meetings.

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**RECOMMENDATION:**

That Council note the Council Resolutions Update Report to August 2018.

**REPORT**

The General Manager is responsible for ensuring that Council's resolutions, policies and decisions are implemented in a timely and efficient manner, progress monitored and variances reported.

The General Manager provides the management oversight in relation to all information progressing from appropriate staff to Council for consideration via the Business Paper.

After a Council meeting, each resolution is allocated to the General Manager or responsible officer to action in accordance with the Council resolution. The Senior Management Team (SMT) then discuss the progress of these resolutions at fortnightly SMT meetings.

Council have requested a Resolutions Update Report at each Council meeting.

The Council Resolutions Update Report includes Council Resolutions to August 2018.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

- 1 Council Resolutions Update table 3 Pages

**COUNCIL RESOLUTIONS UPDATE**

<b>Council Resolutions Update – Meeting held 10 October 2018</b>					
<b>Resolution Ref.</b>	<b>Date of Meeting</b>	<b>Subject</b>	<b>Responsible Officer</b>	<b>Decision</b>	<b>Action Taken/Status</b>
17/003	8/2/17	Chairman's Minute – Chairman to convene a CTW strategic planning workshop with councillors and representatives of constituent councils.	GM	That the Chairman's Minute, as read, be accepted and the contents therein be noted and endorsed.	A "Futures Strategic Planning" workshop to be undertaken early in FY18/19. 30/5/18 – Workshop planning meeting scheduled 14/6/18 with facilitator. 19/7/18 - Risk Edge have been appointed to facilitate the workshop. Workshop is scheduled for 6/9/18 in Blayney. All CTW Councillors, Directors and constituent Council Mayors and GMs have been invited to attend. 6/9/18 – Workshop held. Workshop Summary Paper to be finalised by Risk Edge and issued Oct/Nov.
17/046	14/6/17	Innovation Fund	GM	That Council: 1. Endorse the Blayney Alliance Regional Renewable Energy Action Plan Project application developed by Blayney Shire Council in partnership with Central Tablelands Water and submitted under Round 2 of the NSW Government's Innovation Fund, and; 2. Approve the financial co-contribution of \$20,000 towards the Blayney Alliance Regional Renewable Energy Action Plan Project if the funding application is successful.	Letter sent to Blayney Shire Council on 14/6/17 advising BSC of Councils' resolution to partner and contribute towards the Energy Renewable application for the Innovation Fund.  The funding application was successful in receiving partial funding. CTW's contribution was revised to \$13k in total with \$23k being allocated towards energy efficient projects. CTW have undertaken an Energy Audit of all CTW's sites with the report expected by the end of April 2018. Ref 18/007.

					<p>1/6/18 - Skillset Environmental to present Energy Audit presentation at CTW Council meeting 13/6/18.</p> <p>3/8/18 – Energy Audit Report received from Skillset Environment. The report will be presented to Council at the October meeting.</p> <p>10/10/18 – Renewable Energy Action Plan to be tabled at Oct Council meeting. SMT to meet with Skillset Environment on 18 Oct to further discuss potential energy saving options for CTW.</p>
17/052	14/6/17	Late Item – NBN Co Ltd – Amended Lease Agreement – Carcoar Reservoir	GM/DOTS	That Council authorise the Chairman and General Manager to sign and execute under Council's Common Seal the amended lease agreement between Council and the NBN Co Ltd for the telecommunications facility on the roof of Carcoar Reservoir, in a form satisfactory to Senior Council staff.	<p>13/2/18 - Awaiting final lease agreement from solicitors containing "third party infrastructure" conditions as per the NSW Water Directorate recommendation.</p> <p>31/5/18 &amp; 17/7/18 – Follow up emails sent to solicitor regarding progress of lease.</p> <p>19/7/18 - GM spoke with solicitor's secretary to follow up.</p> <p>8/8/18 – Solicitor emailed seeking final review of third party infrastructure checklist points to be included in lease. GM and DOTS are reviewing.</p>
17/088	18/10/17	Proposed Boundary Readjustment	DOTS/GM	<ol style="list-style-type: none"> <li>1. That Council approve the proposed boundary readjustment in principle;</li> <li>2. That a plan of the proposed boundary readjustment be reported to Council once completed, for endorsement, and</li> </ol>	<p>13/11/17 – DOTS advised Mr Whitehead of Council's resolution.</p> <p>14/12/17 – Mr Whitehead replied to DOTS accepting Council's in principle support to the boundary adjustment.</p> <p>15/12/17 – DOTS resigned from CTW. New DOTS appointed in February 2018, commenced March 2018.</p>



				3. Council to contribute \$3,000 towards the cost of the boundary adjustment and Mr Whitehead to contribute \$3,000 for the cost of the land.	27/4/18 – GM & DOTS liaising with Mr Whitehead regarding proposed boundary adjustment. 10/8/18 – DOTS is continuing to liaise with Mr Whitehead regarding boundary adjustment.
18/043	13/6/2018	Local Government NSW Annual Conference 2018 (21-23/10/18)	GM	That Council give approval for the Chairman, General Manager and one other Councillor to attend the 2018 Local Government NSW Conference in Albury, from Sunday 21 October 2018 to Tuesday 23 October 2018, and any Councillor interested in attending should contact the General Manager to arrange registration.	1/8/2018 – GM emailed all Councilors seeking interest in attending the conference. Early bird registrations close 17 September 2018. 30/8/18 – Chairman & GM registered for LGNSW Annual Conference 2018. <b>Action completed.</b>
18/057	8/8/2018	Central Tablelands Water Rebranding Project	GM	That Council approve funding of \$7,000 for Stage 1 (Market Research) to include an estimate of cost for the overall branding project.	25/9/18 – The Chairman & SMT attended Rebranding Briefing meeting at CTW office facilitated by Adloyalty. A Branding Workshop is scheduled for 17 Oct with constituent councils invited to attend.
18/058	8/8/2018	Safe & Secure Water Program Update	GM	That Council proceeds with the Lithgow to Kings Plains water transfer pipeline scoping study, subject to receiving support from Centroc and Regis Resources Ltd.	17/9/18 – SMT engaged Geolyse to undertake the scoping study. The study is to be funded on a 50/50 basis between CTW and Centroc with in-kind support from Regis.
18/064	8/8/2018	Canowindra Reservoir Roof Replacement – Insurance Tendering Requirements	SMT	That Council delegate to the General Manager the authority to enter into a contract to replace the Canowindra reservoir roof with the supplier selected in consultation with Council's insurers.	7/9/18 – Building Contract with Johns Lyng Group signed by GM. DOTS is liaising with Johns Lyng Group regarding applicable safety requirements (i.e. SWMS, safety standards, etc) to undertake the replacement.

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

**Author:** Director Finance and Corporate Services

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.3.1 monitoring of organisational and operational performance is regular, accessible and understandable

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**RECOMMENDATION:**

That the information be noted.

**REPORT**

**Cash and Investments**

The investment summary on the following page represents Council's total investments as at 31 August 2018 in accordance with clause 212 of the Local Government (General) Regulation 2005 and Section 625 of the Local Government Act 1993.

		Credit Rating	Term (Days)	Rate	Maturity Date	% of Portfolio
<b>Short Term Deposits</b>	<b>\$ 6,000,000.00</b>					<b>85.99%</b>
AMP - Curve Securities	500,000	A	182	2.60%	4/09/18	7.17%
Reliance Bank	500,000	Unrated	183	2.60%	11/09/18	7.17%
BOQ - Curve Securities	800,000	BBB+	182	2.65%	23/10/18	11.47%
ME Bank - Curve Securities	500,000	BBB+	189	2.72%	19/11/18	7.17%
BOQ - Curve Securities	500,000	BBB+	182	2.55%	22/11/18	7.17%
BOQ - Curve Securities	700,000	BBB+	182	2.70%	4/12/18	10.03%
Commonwealth Bank	500,000	AA-	218	2.72%	29/01/19	7.17%
AMP - Curve Securities	500,000	A	182	2.60%	27/02/18	7.17%
Reliance Bank	500,000	Unrated	182	2.75%	8/02/19	7.17%
Reliance Bank	500,000	Unrated	213	2.75%	4/03/19	7.17%
NAB - Rim Securities	500,000	AA-	273	2.60%	25/03/19	7.17%

<b>At Call Deposits</b>	<b>\$ 977,538.36</b>					<b>14.01%</b>
Commonwealth Bank General Account	\$ 342,334.06	AA-	At Call	1.30%	N/A	
Commonwealth Bank - BOS Account	\$ 635,147.48	AA-	At Call	1.40%	N/A	
Reliance Credit Union - Cheque Account	\$ 56.82	Unrated	At Call	0.00%	N/A	

Total Value of Investment Funds **\$ 6,977,538.36** **100%**

90 Day BBSW for August 2018 1.96%  
 Average Rate on Portfolio 2.66%  
 Margin over 90 day BBSW 0.70%

Average Term - Short Term Deposits (days) 197

<b>Portfolio by Credit Rating</b>	<b>Amount \$</b>	<b>%</b>
AA-	\$ 1,977,481.54	28.34%
A	\$ 1,000,000.00	14.33%
BBB+	\$ 2,500,000.00	35.83%
Unrated	\$ 1,500,000.00	21.50%
<b>Total</b>	<b>\$ 6,977,481.54</b>	<b>100.00%</b>

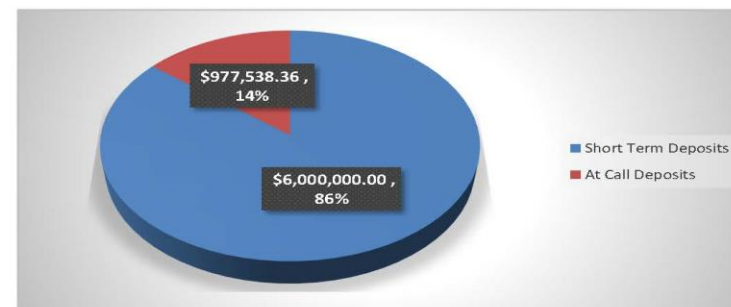
#### BANK RECONCILIATION

Balance as per Bank Statement	\$	977,538.36
Less: Outstanding Cheque	\$	511.30
Add: Outstanding Deposit	\$	3,083.20
Balance as per Cash Book	\$	<u>980,110.26</u>


#### GENERAL FUND

(a) Cash Book Balance	\$	980,110.26
(b) Bank Balance	\$	980,110.26

<b>Short Term Deposits</b>	<b>\$</b>	<b>6,000,000.00</b>
<b>At Call Deposits</b>	<b>\$</b>	<b>977,538.36</b>



The above investments have been made in accordance with the Local Government Act 1993, the Local Government General Regulation 2005 and Council's Investment Policy.



Peter McFarlane  
Director Finance & Corporate Services

### **Investment Commentary**

The Reserve Bank maintained the cash rate at 1.5% during August, however, the major banks have been moving up home loan mortgage rates slightly due principally to increases in wholesale funding costs. This increase in wholesale funding costs is being driven by overseas forces including increased US interest rates.

Short term deposit rates (up to 12 months) appeared to have steadied as many approved deposit institutions (ADIs) are now not as actively seeking funds as in the past. There are still some opportunities to obtain good rates as some institutions offer increased rates for specific terms to suit satisfy term funding needs.

Council is looking to maintain its deposit rate when rolling funds for a similar term however this is becoming more challenging.

With inflation being well within the Reserve Bank's target range of 2% to 3%, it appears unlikely that official interest rates will change in the short term unless some unexpected event occurs that causes substantial disturbance to the economic outlook.

Council has maintained a high level of liquidity over the past couple of months. This has been done to ensure that funds are available to meet the initial funding of materials for stage 3 of the Trunk Main K project, and also provide for the replacement of a number of fleet vehicles that are scheduled for replacement. The position was also assisted by the receipt of payment from a large debtor that was in arrears at 30 June.

### **BUDGET IMPLICATIONS**

Nil

### **POLICY IMPLICATIONS**

Nil

### **ATTACHMENTS**

Nil

**13) FINANCIAL STATEMENT BY COUNCIL – FINANCIAL STATEMENT CERTIFICATES 2017/18 (FM.FR.1)**

**Author:** Director Finance and Corporate Services

**IP&R Link:** Strategic Priority 2 – An efficient, sustainable and customer focussed organisation – 2.2.2 Complete and Report on Quarterly Budget Reviews (Financial Result)

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**RECOMMENDATION:**

1. That Council's Financial Reports be referred to audit in accordance with Section 413(1) of the Local Government Act 1993.
2. That Council notes that the Annual Financial Reports have been compiled in accordance with:
  - a) The Local Government Act 1993 (as amended) and the regulations made thereunder;
  - b) The Australian Accounting Standards and Professional pronouncements; and
  - c) The Local Government Code of Accounting Practice and Financial Reporting.
3. That Council endorses the Annual Financial Reports as fairly presenting the Council's operating result and financial position for the year, and that the Financial Reports accord with Council's accounting and other records;
4. That Council states that it is not aware of any matter that would render this report false and misleading in any way.
5. That Council, in accordance with Section 413(2)(c) of the Local Government Act 1993 authorises the Chairman, the Deputy Chairman, the General Manager and the Responsible Accounting Officer to sign the required Statements relating to the General Purpose Financial Report and the Special Purpose Financial Report.
6. That Council delegates to the General Manager the authority to issue the Financial Statements upon receipt of the Auditor's Reports.
7. That Council endorse the internal restrictions as listed in Note 6 in the Financial Report.

**REPORT**

Section 413(2)(c) of the Local Government Act 1993, requires that Council prepare Financial Reports and to refer those reports for audit within four (4) months after the end of the financial year (s416(1)).

Council has completed its draft financial statements for 2017/18 and a copy will be tabled at the meeting. Given the tight deadline for lodgement of the financial statements with the Office of Local Government, interim work on the final audit was undertaken in September, 2018. There were some delays in finalising the reporting on Council's infrastructure assets arising from the first time use of the new asset management system. This delayed the completion of the draft accounts. The completion of the final audit processes with respect to assets is expected to occur shortly.

As the financial statements are only in draft form (unaudited), a full commentary regarding the result will not be presented at this time. This will occur at the December,

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This is Page No. 35 of the Agenda presented to the Ordinary Meeting of Central Tablelands County Council held at the Weddin Shire Council Chambers Grenfell on 10 October 2018

2018 meeting where the Audit reports will be presented. It should be noted however, that the draft operating result for 2017/18 before capital of \$824K, is the best result for a number of years. This result is principally the result of large water usage arising from the extended dry period late in 2017 and early into 2018.

As an attachment to the Financial Reports, Council is required to present a statement on its opinion on the reports. A copy of the Statements required are attached.

Council's responsible accounting officer and general manager are also required to endorse the certificates along with the Council members. Both the general manager and responsible accounting officer will be signing the certificates directly after the meeting.

Council is also asked to endorse the listing of internal restrictions shown at Note 6. These restrictions have been reconciled after the determination of the cash and investment balances at 30 June, 2018. There has been \$50K set aside in a consultancy restriction for the first time. This has been done so that some funds are available if Council needs to undertake unplanned works in respect to preparation of applications for grant funding or is asked to contribute to investigations in respect to regional water matters. This may avert the need to revote working funds for these purposes. Any transfer from restricted funds requires the endorsement of Council through either the adopted budget or through the quarterly budget review process (QBRS).

Once the auditor has completed the audit and has submitted their report, Council must fix a date for a meeting at which the auditor's report will be presented, and give public notice of the date. This date must be at least seven (7) days after the date on which notice is given, but not more than five (5) weeks after the auditor's reports are given to Council.

The auditor will be presenting their reports to the December 2018 meeting of Council.

### **BUDGET IMPLICATIONS**

Nil.

### **POLICY IMPLICATIONS**

Nil.

### **ATTACHMENTS**

- 1 Financial Statements - Statement by Council 2 Pages
- 2 Note 6 – Internal Restrictions 1 Page

Central Tablelands Water

General Purpose Financial Statements  
for the year ended 30 June 2018

Statement by Councillors and Management  
made pursuant to Section 413(2)(c) of the *Local Government Act 1993 (NSW)* (as amended)

**The attached General Purpose Financial Statements have been prepared in accordance with:**

- the *Local Government Act 1993 (NSW)* (as amended) and the regulations made thereunder,
- the Australian Accounting Standards and other pronouncements of the Australian Accounting Standards Board
- the Local Government Code of Accounting Practice and Financial Reporting.

**To the best of our knowledge and belief, these financial statements:**

- present fairly the Council's operating result and financial position for the year,
- accord with Council's accounting and other records.

**We are not aware of any matter that would render these statements false or misleading in any way.**

**Signed in accordance with a resolution of Council made on 10 October 2018.**

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Cllr David Somervaille  
**Chairman**  
10 October 2018

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Cllr Kevin Walker  
**Deputy Chairman**  
10 October 2018

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Gavin Rhodes  
**General Manager**  
10 October 2018

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Peter McFarlane  
**Responsible Accounting Officer**  
10 October 2018

SPFS 2018

## Central Tablelands Water

### Special Purpose Financial Statements for the year ended 30 June 2018

#### Statement by Councillors and Management made pursuant to the Local Government Code of Accounting Practice and Financial Reporting

**The attached Special Purpose Financial Statements have been prepared in accordance with:**

- the NSW Government Policy Statement 'Application of National Competition Policy to Local Government',
- the Division of Local Government Guidelines 'Pricing and Costing for Council Businesses – A Guide to Competitive Neutrality',
- the Local Government Code of Accounting Practice and Financial Reporting,
- the NSW Office of Water Best-Practice Management of Water and Sewerage Guidelines.

**To the best of our knowledge and belief, these financial statements:**

- present fairly the operating result and financial position for each of Council's declared business activities for the year, and
- accord with Council's accounting and other records.

**We are not aware of any matter that would render these statements false or misleading in any way.**

**Signed in accordance with a resolution of Council made on 10 October 2018.**

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Cllr David Somervaille  
**Chairman**

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Cllr Kevin Walker  
**Deputy Chairman**

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Gavin Rhodes  
**General Manager**

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Peter McFarlane  
**Responsible Accounting Officer**

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Financial Statements 2018

## Central Tablelands Water

### Notes to the Financial Statements for the year ended 30 June 2018

#### Note 6(c). Restricted cash, cash equivalents and investments – details

\$ '000	2018	2018	2017	2017
	Current	Non-current	Current	Non-current
Total cash, cash equivalents and investments	6,817	–	7,365	–
<b>attributable to:</b>				
Internal restrictions (refer below)	6,316	–	6,865	–
Unrestricted	501	–	500	–
	<b>6,817</b>	<b>–</b>	<b>7,365</b>	<b>–</b>

\$ '000	2018	2017
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#### Details of restrictions

##### Internal restrictions

Plant and vehicle replacement	184	219
Infrastructure replacement	5,297	5,985
Employees leave entitlement	359	235
Development reserve	426	426
Consultancy	50	–
<b>Total internal restrictions</b>	<b>6,316</b>	<b>6,865</b>
<b>TOTAL RESTRICTIONS</b>	<b>6,316</b>	<b>6,865</b>

#### **14) CANOWINDRA RESERVOIR ROOF REPLACEMENT – UPDATE ON CONTRACTOR ENGAGEMENT (RM.CM.2)**

**Author:** Director Finance and Corporate Services

**IP&R Link:** Strategy Priority 2 – An efficient, sustainable and customer focussed organisation – 2.3.2 Manage the risk management framework including a risk register

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#### **RECOMMENDATION:**

That Council note the appointment of the Johns Lyng Group to undertake the rectification work on the roof of the reservoir located at Church Street Canowindra.

#### **REPORT**

At the meeting held on the 8<sup>th</sup> August, 2018 Council resolved “*That Council delegate to the General Manager the authority to enter into a contract to replace the Canowindra reservoir roof with the supplier selected in consultation with Council’s insurers*”.

Following the expression of interest process conducted by Council’s insurer, Statewide Mutual, Johns Lyng (NSW) Regional Pty Ltd were appointed to undertake the roof rectification works at the Canowindra reservoir. The cost of the rectification works is estimated to be \$137,775 GST inclusive. These costs will be met from proceeds of the insurance claim.

This company is part of the Johns Lyng Group that has extensive experience with insurance rectification works of this type.

A project manager has been appointed by Johns Lyng Group to oversee the project and initial consultations have occurred with Council’s Technical and Operations staff.

A detailed site inspection by the Johns Lyng Group was undertaken on 2 October, 2018. A further meeting between Council staff and the Johns Lyng team is scheduled to occur in the near future.

A project timeline is expected to be released over the next couple of weeks. The fabrication of the roof components is expected to be the critical factor in determining the expected project completion date.

Council is hopeful that the new roof will be in place prior to the higher demand summer period.

#### **BUDGET IMPLICATIONS**

Council was responsible for a \$1,000 excess under its property insurance policy. The payments to the construction supplier will be undertaken directly by Council’s insurers.

#### **POLICY IMPLICATIONS**

Nil.

#### **ATTACHMENTS**

Nil.

**15) REGIONAL WATER SECURITY PIPELINE PROJECT UPDATE (WS.AM.1)**

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.1 Deliver capital works program based on asset management data.

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**RECOMMENDATION:**

That the information be noted.

**REPORT**

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

Pumping through the completed pipeline commenced in January 2018 for disinfection and flushing purposes.

Pumping continued, on an ad-hoc basis, to allow pre-commissioning checks of the automatic control systems relevant to the different operating scenarios. These pre-commissioning checks highlighted some design flaws which the major subcontractor has addressed.

Delivery and installation of materials to overcome these design issues were completed 3<sup>rd</sup> October, allowing testing and pre-commissioning checks to commence 4<sup>th</sup> October. Once pre-commissioning checks are completed, the nominated five (5) week pipeline commissioning plan will be implemented, enabling the pipeline to be completed in November 2018.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**16) TRUNK MAIN K RENEWAL (WS.AM.1)**

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.1 Deliver capital works program based on asset management data.

---

**RECOMMENDATION:**

1. That the information be noted, and
2. That Council approves the action taken by the General Manager of procuring the pipe for Stage 2a of the Trunk Main K Project, totalling \$180,782.61 (ex-GST), due to the long lead time associated with the manufacture and delivery of the pipe.

**REPORT**

Trunk Main K supplies Grenfell with water from the Central Tablelands Water (CTW) system. Built in 1946, Trunk Main K stretches across 34 kilometres from Gooloogong to Grenfell. The pipeline is cast iron, and while the main has reliably delivered water to the town of Grenfell for the last 70 years, there are some areas of the pipeline that are beginning to fail. The Capital Works budget for replacement of Trunk Main K is \$6,182,364 extending across the 2015/16 – 2018/19 financial years.

Stage 1 construction of 12.6km pipeline between McDonald's Lane pump station and Grenfell North reservoir, was completed in June 2017. Stage 2 construction was due to commence in August 2017, however, was delayed owing to the CTW resources required during construction of the Regional Water Security Pipeline Project with Orange City Council.

Stage 2 construction 7.2km of the Trunk Main K Project was completed in May 2018, leaving a remaining 400 metres to be completed when tying into McDonalds Lane Pump Station.

Tying in of Stage 1 construction works at McDonalds Lane Pump Station is complete. Commissioning and full service of Stage 1 pipeline into Grenfell North reservoir is delayed till Stage 2 has been completed. Completion due December 2018.

Due to the long lead time associated with the manufacture and delivery of the pipe for Stage 2a (3.2km), an order was placed for the pipe on 17<sup>th</sup> September with expected delivery in late November. This will allow Stage 2a to tie into Stage 2 at McDonald's Lane. As the total cost of the pipe was \$180,782.61 (ex-GST), the General Manager sought verbal delegated approval from the Chairman prior to ordering.

**BUDGET IMPLICATIONS**

Capital Budget 2018/19

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

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

**Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – 1.1.2 Develop and deliver maintenance program. 1.1.4 Undertake regular water meter replacement program.

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**RECOMMENDATION:**

That the information be noted.

**REPORT**

a) *Meter Reading*

The second meter read for the 2018/19 financial year will commenced on 11th October 2018 at Blayney and will be completed as per the meter reading schedule.

b) *Meter Change Program*

There have been 124 meter changes undertaken since the previous reporting period from May 2018.

c) *Water Filtration Plants*

A control actuator was designed and fabricated for the Carcoar Water Filtration Plant Trunk Main C take-off valve. It is now installed and functioning well.

d) *Pump Stations*

Cleaning of Pump Stations listed under general maintenance has occurred throughout our network over the past 3 months.

Gooloogong Bore Pumps

No.2 Bore pump and riser requires complete replacement. Installation and commissioning due for completion end Oct 18.

e) *Drinking Water Quality*

No reportable incidences of exceeding our Critical Control Points for delivery of drinking water from our Water Treatment Plants.

f) *Trunk Mains*

Ongoing inspections continue to be carried out on Trunk Mains and Rural supplies over the past 3 months.

g) *Hydrants*

Inspections were carried out on hydrants throughout all towns (excluding Quandialla) of the CTW supply network over the past 3 months.

h) *Rural Scheme renewals*

Nil undertaken between reporting periods.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil

**18) PERFORMANCE OF COUNCIL'S SYSTEMS (WS.MO.4)****Author:** Director Operations & Technical Services

**IP&R Link:** Strategy Priority 1 – Providing a high quality and reliable drinking water supply – Strategy Priority 2 – An efficient, sustainable and customer focussed organisation – 2.1.4 Establish service levels and monitor and report on performance.

**RECOMMENDATION:**

That the information be noted.

**REPORT****a) *Main Breaks***

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

Location		Date	Size	Comment
Blayney	Tumulla PI	21/09/2018	100mm	DNR
Canowindra	Cranky Rock Rd	15/09/2018	150mm	R&RP
Canowindra	Nangar Rd	19/09/2018	75mm	R&RP
Canowindra	Armstrong St	23/09/2018	100mm	R&RP
Grenfell	Gooloogong Rd	06/08/2018	200mm	R&RP
Grenfell	McDonalds Ln	27/09/2018	200mm	R&RP
Millthorpe	Park St	12/09/2018	100mm	R&RP

**b) *Service Complaints and Requests***

A summary of service complaints and requests received for the past month are as follows:

Row Labels	Count of Town/Village
<b>BLAYNEY</b>	<b>24</b>
BURST METER	2
LEAKING METER	11
LOW PRESSURE COMPLAINT	1
MAIN BREAK	1
MAINTENANCE - GENERAL	1
METER NOT SHUTTING OFF	6
PATHCOCK FAILURE	1
QUALITY COMPLAINT	1
<b>CANOWINDRA</b>	<b>21</b>
BURST METER	1
CHECK METER READING	1
LEAKING METER	10
LEAKING SERVICE	2

MAIN BREAK	3
NO WATER COMPLAINT	3
PRV ISSUE/MAINTENANCE	1
<b>CARCOAR</b>	<b>1</b>
LEAKING METER	1
<b>CUDAL</b>	<b>5</b>
LEAKING METER	4
LEAKING SERVICE	1
<b>EUGOWRA</b>	<b>1</b>
LEAKING METER	1
<b>GRENFELL</b>	<b>10</b>
BURST METER	1
CHECK METER READING	1
LEAKING METER	1
LEAKING SERVICE	2
MAIN BREAK	2
PATHCOCK FAILURE	1
QUALITY COMPLAINT	2
<b>LYNDHURST</b>	<b>3</b>
LEAKING METER	1
MAINTENANCE GENERAL	1
QUALITY COMPLAINT	1
<b>MANDURAMA</b>	<b>4</b>
CHECK METER READING	1
HYDRANT LEAKING	1
LEAKING METER	1
MAINTENANCE GENERAL	1
<b>MANILDRA</b>	<b>4</b>
LEAKING METER	1
LEAKING SERVICE	2
MAINTENANCE GENERAL	1
<b>MILLTHORPE</b>	<b>7</b>
BURST METER	1
CHECK METER READING	1
LEAKING METER	3
MAIN BREAK	1
METER/NEW REPLACEMENT	1
<b>QUANDIALLA</b>	<b>1</b>
LEAKING METER	1
<b>Grand Total</b>	<b>81</b>

*c) Lake Rowlands*

The level of Lake Rowlands has increased from 64% (01.08.18) to its present level of 74% (05.08.18).

*d) New Water Services*

Since 2<sup>nd</sup> August 2018 there have been four (4) new domestic water services connected to Council's mains.

**BUDGET IMPLICATIONS**

Nil

**POLICY IMPLICATIONS**

Nil

**ATTACHMENTS**

Nil



**19) QUESTIONS ON NOTICE**

(General Manager)

No questions on notice were received.

**ATTACHMENTS**

Nil

**20) WATER LEAKAGE - ACCOUNT 567000005 (CR.EQ.1)**  
**GENERAL MANAGER'S PERFORMANCE REVIEW (GO.CO.4)**

(General Manager)

**RECOMMENDATION:**

1. That, as these matters deal with items that are subject to the affairs of an individual, Council consider those matters in the 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

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

(General Manager)

**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

**22) REPORT OF THE COMMITTEE OF THE WHOLE**

(General Manager)

**RECOMMENDATION:**

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

**ATTACHMENTS**

Nil