



LOWER MACQUARIE
WATER UTILITIES ALLIANCE

LOWER MACQUARIE WATER UTILITIES ALLIANCE

TECHNICAL COMMITTEE MEETING No. 53

Agenda and Business Papers

10am Tuesday 22nd August 2017

AGENDA

LOWER MACQUARIE WATER UTILITIES ALLIANCE

TECHNICAL COMMITTEE MEETING No. 53

10 am Tuesday 22nd August 2017

at

Gilgandra Shire Council Chambers, Gilgandra.

AGENDA

1. Welcome & Apologies
2. Minutes of Meeting No. 52 held at Walgett on 20th June 2017. **(Attachment #1 – Page 3)**
3. Business Arising
4. Presentation by Michael Blackmore, Director, Water and Sewer Regulation, DPI Water
5. Presentation by Jaimie Hicks Business, Development Manager, WSAA on membership of Water Services Association of Australia (WSAA).
6. Presentation by Ian Bailey of Dubbo Regional Council on the recent Boiled Water Alert.
7. Presentation by David Kirby on the work Brewarrina has done at Angledool.
8. Alliance Pumping Station Audits **(Attachment #2 – Page 8)**
9. Deed of Agreement **(Attachment #3 – Page10)**
10. LMWUA Work Plan. **(Attachment #4 – Page 27)**
11. NSW Water Directorate **(Attachment #5 – Page 31)**
12. Standing Items
 - a. Web Site Development.
 - b. Best Practice Compliance
 - c. LMWUA/Centroc Resource Sharing.
 - d. Asset Management Working Group feedback – 21st February 2017
13. General Business
 1. Operator's Group Support – Doug Moorby/ Mark Linton-Harland
 2. Role and Purpose of the Assets Management Group – K. Murphy
 3. Reservoir Upgrades Stage 2 – Owen Johns
14. Next Meeting: Tuesday 10th October 2017 in Nyngan.
Presentations by Mr Dennis Druve of Weir Minerals, and Mr Steve Abercrombie from RD Technology as agreed at the June meeting.
15. Meeting close

Attachment 1.



LOWER MACQUARIE WATER UTILITIES ALLIANCE

TECHNICAL COMMITTEE MEETING No. 52

9 am Tuesday 20th June 2017

at

Walgett Council Chambers, Walgett.

MINUTES

1. Welcome & Apologies

The meeting delegates were welcomed to Walgett by Council's CFO Mr Mike Urquhart.

The meeting was preceded on the 19th June 2017 by a tour of Lightning Ridge and dinner. The group thanked Walgett Shire Council for their hospitality and for arranging the activities of the previous day.

Chair Kerrie Murphy was an apology. The meeting was therefore chaired by Rolly Lawford.

The meeting commenced at 9.10am.

Attendees

- Jayantha Ediniweera (Eddie) - Bogan Shire Council
- David Kirby – Brewarrina Shire Council
- Darren Scotti – Central Darling Shire Council (until 11.40am)
- Stephen Taylor – Cobar Shire Council (until 12.00)
- Peter Chudek – Coonamble Shire Council – from 9.20am
- Trevor Sultana – Coonamble Shire Council - from 9.20am
- Rolly Lawford – Gilgandra Shire Council
- Mark Linton-Harland – Gilgandra Shire Council
- Jon Palmer – Mid-western Regional Council
- Doug Moorby – Narromine Shire Council

- Sylvester Otumbo – Walgett Shire Council
- Dilip Tiwari – Walgett Shire Council
- Sam Lenkaak – Walgett Shire Council
- Tej Ghimire – Walgett Shire Council
- Bryce Hammond – Warren Shire Council
- Neil Johnston – Warrumbungle Shire Council
- David Swan – Project Officer, LMWUA9
- Daryl McGregor – LMWUA

Visitors

- Matt Parmeter – DPI Water
- Bruce Lamont – DPI Water
- Shyamala Manorathan – DPI Water
- Ingo Steppat – NSW Health
- Sam McGill

Apologies

- Graeme Bourke – Bogan Shire Council
- Reece Wilson – Central Darling Shire Council
- Ian Bailey – Dubbo Regional Council
- Stephen Carter – Dubbo Regional Council
- Claire Cam – Mid-Western Regional Council
- Kerrie Murphy – Narromine Shire Council
- Kevin Tighe – Warrumbungle Shire Council
- Harold Sutton – Warrumbungle Shire Council
- Jason Harwood – NSW Health
- Mark Nave – NSW Health
- Owen Johns

2. **Minutes of Meeting No. 51 held at Warren on 18th April 2017.**

The Minutes were adopted without alteration. (DM/MLH).

There was no business arising.

3. **Presentation by Dr Jaimie Hicks from WSAA.**

Postponed due to family accident.

4. **Presentation by Sam McGill of Water Infrastructure Solutions**

A copy of this presentation is attached.

5. **Presentation by David Kirby from Brewarrina.**

Postponed due to wanting to build the excitement.

6. **Reservoir Inspections and Reporting**

It was pointed out that the email address for Mr. Bill Ho on the attachment to this Report was in out-of-date and should be bill.ho@dpi.nsw.gov.au.

- i) The recommendation was adopted with Bogan advising that Council has 2 reservoirs plus the clearwater tank, Warren advised that Council has 4

reservoirs and Warrumbungle confirmed that Council has 15 reservoirs. (DM/DSc)

- ii) Recommendation noted (DM/DSc)
- iii) Recommendation was adopted on the basis that the PO contact ASAM regarding the updating of the spreadsheet by other inspectors and divers if required in the future, rather than Aqualift who had indicated that they weren't doing cleaning any more. If this was possible then the Alliance wished to renew its ASAM subscription. (DM/DSc)
- iv) Recommendation noted (DM/DSc)

7. **Smart Meters under 'Smart Cities and Suburbs' Grant Funding**

Recommendation adopted (DM/PC)

8. **Trials using Fish to Reduce Sewerage Sludge**

The issue was discussed and there was no interest in local trials.

9. **Review of Regional Infrastructure – Department of Premier and Cabinet**

Due to illness, Belinda Barlow was contacted by phone and addressed the meeting. The information was noted. DS and BB indicated that they were meeting with DRC the following day to discuss an arrangement if the funds were to be managed by the Alliance.

10. **Alliance Liquid Trade Waste Officer**

Report noted

11. **TV Ads through Smart Approved WaterMark**

The recommendation was moved with the unspent funds used to fund paid spots on the appropriate network. It was agreed that the LMWUA proceed irrespective of Centroc decision. However, if Centroc shared the cost of the add preparation then the additional unspent funds could increase the expenditure for paid commercial spots in addition to CSA spots. (MLH/NJ)

12. **Future Projects**

- a. It was agreed that a project to investigate power saving measures should follow the pumping station audits. The use of solar power, or even part solar farms at STP sites could also be considered.
- b. A forum, chaired by Daryl McGregor, is to be arranged at the October meeting to look at resource sharing and training.

13. **Alliance Meeting Dates**

Report was noted

14. **Standing Items**

- a. Nothing to report.
- b. Nothing to report
- c. Centroc had requested to attend the upcoming NSW Health forum in Dubbo.
- d. Next meeting of the Asset Management Working Group is 18th July 2017 in Warren

15. **General Business**

- a. PC provided feedback on the work being done by the Biosolid's Stakeholder Committee and that this had been the likely last meeting of the group as the new Guidelines were nearing completion. He indicated that the requirements would be more strenuous than the previous Guidelines.
- b. DM reported on the work of the Committee and encouraged staff to attend.
- c. MP spoke about the pipelines project and the recently announced funding for water and sewerage. He expected that the program would be in place for 10 years which would indicate an annual spend of about \$10mil. The process would be application based and would require joint funding. Further details are expected to be available during July 2017.
- d. There were no requests for additional items for the NSW Health seminar in early August 2017.
- e. There was discussion on the desire of the Assets Working Group to appoint a Chair from within the member Councils rather than that role being undertaken by the consultants. It was moved that the Group be advised that the Alliance wished to nominate Rolly Lawford to this role. Rolly indicated that he would accept such a nomination. (DM/PC)
- f. There was no additional general business

16. Next Meeting: Tuesday 22nd August 2017 in Gilgandra

- a. Jaimie Hicks, WSAA on membership
- b. David Kirby, work at Angledool
- c. Ian Bailey, Boiled Water Alert in Dubbo
- d. It was decided that the additional suggested presentations be postponed until the October meeting, or later as required.

17. Meeting close 2.15 pm

David Swan
Project Officer

Business Arising

- I have received notification of 2 Councils who have submitted their Drinking Water Circular Report. Can each Council provide an update on the status of their Reports?
- Smart Water Mark have started work on the TVA for the Alliance Councils. The offer to jointing find this project with Centroc WUA was accepted and they therefore will contribute 50% of the \$27,300 cost for this project. (\$13,650). Centroc however only wish to use Community Announcement spots to air the TVA once it is produced.

The draft script for the TVA has been provided and the focus of the ad will be on outside water use and what can be done to reduce consumption around the home. It was felt that the biggest impact on reducing water consumption is by reducing water wastage outside.

The Alliance budget is \$50,000 for this project, of which \$13,650 is now committed. The opportunity exists to fund specific time spots with these available funds as suggested at the last meeting, or to align with Centroc and just rely on CA spots.

- At the Assets Group meeting on 18th July 2017, Rolly Lawford was elected as the Chair of the Group.
- Belinda Barlow, Ian Bailey, Stephen Carter, Kerrie Murphy, and myself met to discuss the direction to be taken if funding was to become available for major projects. It was agreed with input from Mark Riley that any funding made available would be made available to individual councils and the way these were managed would be an arrangement for each funded Council.

Attachment 2.

Alliance Pumping Station Audits

The Committee will recall that at the December 2016 meeting, it resolved to recommend to Dubbo Regional Council that it accept a tender for the audit of all pumping stations across the member Councils. DRC reported this to its Council and the project was subsequently awarded to JAC Pumps.

Work commenced on the project with the initial site inspections undertaken by way of reconnaissance rather than the detailed inspections. This indicated that there were more pumping stations in service across the Alliance than had been included in the Brief. The Contractors rightfully brought this to my attention as they were uncertain how to proceed - which were the PS to be audited? And why weren't all assets being audited to make most value of the work being undertaken? The revised numbers of the pump stations to now be audited is detailed in the following Table.

| Council | Town | SPS Brief | SPS Actual | WPS Brief | WPS Actual |
|-----------------|------------------|-----------|------------|-----------|------------|
| Bogan | Nyngan | 3 | 6 | 2 | 2 |
| Bourke | Bourke | 4 | 8 | 2 | 2 |
| | North Bourke | 0 | 0 | 0 | 2 |
| Brewarrina | Brewarrina | 5 | 5 | 1 | 3 |
| | Weilmoringle | 1 | 1 | 0 | 0 |
| | Goodooga | 3 | 3 | 1 | 1 |
| Central Darling | Wilcannia | 5 | 6 | 4 | 2 |
| | Ivanhoe | 0 | 0 | 3 | 5 |
| | White Cliffs | 0 | 0 | 2 | 4 |
| Cobar | Cobar | 5 | 4 | 6 | 1 |
| Coonamble | Coonamble | 12 | 12 | 2 | 5 |
| Gilgandra | Gilgandra | 17 | 18 | 5 | 7 |
| Narromine | Narromine | 9 | 9 | 1 | 5 |
| | Trangie | 4 | 4 | 0 | 0 |
| Walgett | Walgett | 5 | 5 | 2 | 2 |
| | Lightening Ridge | 3 | 3 | 0 | 0 |
| | Collarenebri | 1 | 1 | 1 | 1 |
| | Namoi Village | 1 | 1 | 0 | 0 |
| Warren | Warren | 5 | 6 | 2 | 3 |
| | Nevertire | 1 | 1 | 0 | 0 |
| Warrumbungle | Coonabarabran | 6 | 10 | 1 | 4 |
| | Baradine | 1 | 1 | 1 | 3 |
| | Coolah | 1 | 3 | 1 | 3 |
| | Dunedoo | 10 | 1 | 1 | 1 |
| | Binnaway | 0 | 0 | 1 | 5 |
| | Mendooran | 0 | 0 | 1 | 6 |
| | Kenebri | 0 | 0 | 1 | 1 |
| | Bugaldie | 0 | 0 | 1 | 2 |
| Wellington | Wellington | 13 | 13 | 7 | 8 |
| | Mumbil | 0 | 0 | 0 | 1 |

Key

| | |
|--|---------------------------------|
| | Where numbers have gone up |
| | Where numbers have gone down |
| | Where numbers don't make sense. |

Each Council has now agreed to fund the additional inspections as per this table. To determine the costs changes for each Council, numbers were adjusted on a pro-rata basis and agreed with the contractor.

The prices quoted in the original Report to this Committee was based arrange average pump station inspections based on the prices received in the tender. This is because some tenders provided a cost per pumping station across the Council named rather than a cost per pumping station, or even to differentiate between water and sewer pumping stations and therefore the Report to the Committee was based on average prices to allow a comparison. Thankfully, JAC Pumps quoted on a town basis and differentiated between water and sewer as well. When the above alteration was highlighted, it became obvious that those Councils with say more sewer pumps stations would be affected more. Accordingly, it is now necessary to provide prices as per the Contractor's tender schedule for each Council.

The prices submitted in the accepted Tender and the new, adjusted prices as per the above, is now provided in the Table below. The original tender didn't include Warren and this is now also included. The Contractor has been advised that the additional prices have been accepted as per the Table below.

| Council | Accepted Tender | Tender | Revised |
|-----------------|------------------------|---------------------|---------------------|
| Bogan | \$10,695.00 | \$10,695.00 | \$16,888.00 |
| Bourke | \$11,095.00 | \$11,095.00 | \$21,153.00 |
| Brewarrina | \$23,285.00 | \$23,285.00 | \$27,437.00 |
| Central Darling | \$24,785.00 | \$24,785.00 | \$29,600.00 |
| Cobar | \$21,245.00 | \$21,245.00 | \$11,659.00 |
| Coonamble | \$25,785.00 | \$25,785.00 | \$30,060.00 |
| Gilgandra | \$41,430.00 | \$41,430.00 | \$45,103.00 |
| Narromine | \$21,705.00 | \$21,705.00 | \$30,440.00 |
| Walgett | \$25,945.00 | \$25,945.00 | \$25,945.00 |
| Warren | \$- | \$12,920.00 | \$16,189.00 |
| Warrumbungle | \$24,450.00 | \$24,450.00 | \$50,770.00 |
| Wellington | \$32,525.00 | \$32,525.00 | \$35,309.00 |
| TOTAL | \$262,945.00 | \$275,865.00 | \$340,553.00 |

Note that, as agreed when the project was considered, these costs are not included in the Alliance budget, but rather are to be funded from individual Council budgets.

And finally by way of an update, inspections of particularly the sewer pumping stations are planned to commence on the week of 11th September 2017 and the project will be completed by Christmas.

Recommendation.

For information and discussion.

Attachment 3.

LMWUA Deed of Agreement.

At the LMWUA Board meeting in Mudgee on 4th August 2017, the Board resolved to sign a new Deed of Agreement between the Councils to formalise the relationship that has become the Alliance. The new Deed is attached.

The Alliance was formed in 2008 and at that time, a Deed was signed between the 6 original members at that time. This original term of the Agreement was 4 years from 1st July 2008. When new members joined the Alliance, they were asked to sign this Agreement however, in more recent times, as the Deed was now out-of-date, the Deed was only acknowledged as existing in those discussions around those Councils joining. The need to prepare a new Deed was given a low priority at that time.

In about 2009, the Alliance approached Marsden's Law Group to prepare a more legal LMWUA Agreement and once agreed, this was made available to the State Government for ratification as required by the LGA. A response on the suitability of this amended Deed was never received from the State, and the issue of the Agreement has been without any formal status since then.

It was decided that an Agreement was desirable, and between Ashley Wielinga and Daryl McGregor, the two existing Deeds were combined to form a new Deed. This Deed was review by GMAC and was adopted by the Board at the above meeting as being the Deed of Agreement between the Alliance Councils.

The new Deed is attached and it will be arranged now for all the Councils contained therein to sign the Agreement, and the for the Agreement to thereafter be in place for the nominated term of five (5) years.

Recommendation.

For information and discussion.



DEED OF AGREEMENT

OF THE

LOWER MACQUARIE WATER UTILITIES ALLIANCE

1 Background

At a meeting held in Nyngan on 29th February 2008, the six councils making up the then Lower Macquarie Group of Councils agreed to support a Alliance model under the name “Lower Macquarie Water Utilities Alliance”.

The premise of any arrangement was that each council would continue to own and operate its water and sewerage assets within its LGA. However significant potential benefits of the Alliance were foreseen, as listed in the Nyngan Workshop Outcomes Report (attached as Annexure 1).

The original agreement was signed in July 2008 by Bogan Shire Council, Cobar Shire Council, Dubbo City Council, Narromine Shire Council, Warren Shire Council and Wellington Council. In 2011 Bourke Shire Council and Brewarrina Shire Council requested to join and were welcomed as members to the Alliance. In 2014 Warrumbungle Shire Council, Gilgandra Shire Council, Coonamble Shire Council and Walgett Shire Council were invited and accepted to become members. In 2016 Dubbo Regional Council replaced Dubbo City Council and Wellington Shire Council: and Central Darling Shire Council was invited and became a member. In 2017 Mid-Western Regional Council also became a member.

From 2015 the Lower Macquarie Water Utilities Alliance (LMWUA) Board meetings have been held in conjunction with OROC Board meetings.

2 Vision Statement

The member councils of the Lower Macquarie Water Utilities Alliance are committed to providing a unified approach to the sustainable delivery of water supply and sewerage services, and to achieve and maintain industry Best Practice.

3 Objectives

The forming of a collaborative arrangement allows the member Councils to pool resources, reduce duplication and form a common platform to develop initiatives.

The following are the principal objectives of the Lower Macquarie Water Utilities Alliance (LMWUA):

- (a) Resource and staff skill sharing;
- (b) Water resource sharing opportunities;
- (c) Peer review of performance and mentoring where appropriate;
- (d) Development of shared best practice strategies;
- (e) Funding of best practice strategies and goals.

These objectives will be reviewed annually by the LMWUA Board.

4 The Alliance Workplan

The Objectives outlined at Section 3 shall be achieved by implementing the LMWUA Workplan as developed and reviewed by the Board on an annual basis.

5 Commitment

Each council will agree to work actively towards the achievement of the Alliance's Vision, Objectives and Workplan by agreeing to a timetable and committing funds. The councils agree that in order to achieve the Objectives of the Alliance within a reasonable timeframe it may be necessary for individual member councils to increase water and sewer charges to meet the funding of Best Practice Requirements.

6 Membership

The following are the member councils who are committed to undertake the requirements of the Lower Macquarie Water Utilities Alliance (LMWUA):

Bogan Shire Council
Bourke Shire Council
Brewarrina Shire Council
Central Darling Shire Council
Cobar Shire Council
Coonamble Shire Council
Dubbo Regional Council
Gilgandra Shire Council
Mid-Western Shire Council
Narromine Shire Council
Walgett Shire Council
Warrumbungle Shire Council
Warren Shire Council

This Agreement will become null and void should legislative changes occur resulting in the inability of the individual councils to continue conducting the provision of water supply and sewerage services.

7 New Members

A new member council may be admitted to the LMWUA, on agreement of the majority of member councils.

8 Term of this Agreement

The period of this Agreement will be for five (5) years, commencing on 1st July 2017 and thereafter on a monthly basis with the terms of this agreement continuing unchanged.

9 Structure of the Alliance

9.1 Alliance Board

The Alliance will be headed by a Management Board which will undertake the governance of the Alliance.

The Board shall consist of two representatives (one councillor and one senior staff member) from each of the participating councils.

The Chairman of the Board will be elected annually by a majority vote by the individual Board representatives.

A Code of Meeting Practice will be based on that of the member council's Code which undertakes the Secretariat function.

The Board shall meet six-monthly or more frequently if required.

9.2 Technical Advisory Committee (or Steering Committee)

The Technical Advisory Committee will consist of one staff member (as a minimum) from each of the member councils, who is directly involved in the operation and management of their water supply and sewerage services.

The Technical Advisory Committee will meet bi-monthly, or more frequently if required.

The Technical Advisory Committee will recommend to the Board the appropriate course of action to meet the Objectives of the LMWUA. Annually, the Objectives and Work plan of the LMWUA will be reviewed and performance indicators and timeframes will be recommended to the Board.

It will be the function of the Board to review the progress of any performance indicators and timeframes which have been committed to on a six-monthly basis.

9.3 Secretariat

Dubbo Regional Council shall provide secretariat services; or such other Council as determined by the Board on a cost recovery basis as detailed under Fees and Charges.

9.4 Project Officer

The LMWUA will employ a Project Officer (through Dubbo Regional Council) to undertake the tasks which have been adopted by the LMWUA Board and ongoing Secretariat functions.

The cost of the Project Officer will be shared by the member councils based on a cost determined under Section 12 - Fees and Charges.

10 Access to Property, Data and Records

Each member council gives an unreserved undertaking to allow unobstructed access by other member councils to property, data and records relating to the functions and objectives of the LMWUA.

11 Intellectual Property

Each member council will have the right to use and regard as its own any procedure, policy or other relevant documents developed or created as a result of the LMWUA.

12 Fees and Charges

Any work undertaken for the LMWUA collectively or for individual members will be charged based on the direct salary cost for the employee undertaking the work, plus thirty percent representing employment on-costs, plus a further ten percent allowance to meet other administrative costs.

Travel expenses will be met based on a rate per kilometre as determined by the Local Government State Award (at the time) for motor vehicles.

Costs relating to work undertaken by the Secretariat and/or LMWUA Project Officer will be borne on a proportionate basis by all member councils based on the number of connected water assessments as reported to Department of Primary Industry (Water) on an annual basis, except where the Project Officer is working on a council specific project where the costs will be borne by that council.

Work undertaken by an employee of one-member council will be charged based on the above formula (first paragraph) to the member council receiving the benefit.

No charges will be made for the cost of the existing documentation or procedures initially contributed to the LMWUA.

13 Stakeholder Reporting

The LMWUA Board will provide an Annual Report, indicating the progress made against the objectives, performance indicators and timeframes as previously determined by each member council.

Reports will also be supplied to the Office of Local Government and to DPI Water (or Minister for Water Utilities, as appropriate).

14 Insurance

14.1 Councils to Seek Advice

Each Council must ensure that it is appropriately insured with respect to its activities as a part of the LMWUA and must make appropriate disclosures to their insurers.

14.2 Direction as to insurance

- (i) From time to time the Board may direct a Council to procure and maintain an insurance policy on the terms and conditions as determined by the Board
- (ii) If a Council receives a direction from the Board in accordance with paragraph (i) then it must use its best endeavours to procure and maintain that policy

15 Third party Liability

15.1 Claims

- (i) Where

- (a) A Claim is made against a Council in relation to the LMWUA; and

- (b) There has been no misconduct on the part of the Council which gave rise to the claim (including a breach of this Agreement)

Then the legal costs incurred by the relevant Council will be LMWUA costs

- (ii) The Council

- (a) keep the Board apprised of the progress of the Claim; and

- (b) conduct the defence of that Claim in accordance with any direction of the Board

15.2 Liability for Claim

Any liability properly incurred by the Council against whom a Claim is made to which paragraph 15.1 (i) applies will be at LMWUA cost, including any insurance excess payable with respect to that claim.

16 Termination of the Agreement

This agreement is irrevocable by the member Water Utilities for the term of the agreement.

Six (6) months prior to the expiry of the term of the agreement the Secretariat shall initiate a renewal-of-agreement process requiring all member Councils to formally re-commit to another four (4) year term. In the event that one or more-member Councils fail to re-commit, the Deed of Agreement shall be amended in accordance with the wishes of the remaining members of the LMWUA Board; or else the agreement may be terminated in its entirety if that be the wish of the remaining members at that time.

Signed by Bogan Shire Council

In accordance with the resolution of the
day of 2017

.....
Mayor

The Common Seal of the Council of the
Shire of Bogan was hereunto affixed on
the day of 2017.

.....
General Manager

Signed by Bourke Shire Council

In accordance with the resolution of the
day of 2017

.....
Mayor

The Common Seal of the Council of the
Shire of Bourke was hereunto affixed on
the day of 2017.

.....
General Manager

Signed by Brewarrina Shire Council

In accordance with the resolution of the
day of 2017

.....
Mayor

The Common Seal of the Council of the
Shire of Brewarrina was hereunto affixed
on the day of 2017.

.....
General Manager

.....
Mayor

Signed by Central Darling Shire Council

In accordance with the resolution of the
day of 2017

.....
General Manager

The Common Seal of the Council of the
Shire of Central Darling was hereunto
affixed on the day of 2017.

.....
Mayor

Signed by Cobar Shire Council

In accordance with the resolution of the
day of 2017

.....
General Manager

The Common Seal of the Council of the
Shire of Cobar was hereunto affixed on
the day of 2017.

.....
Mayor

.....
General Manager

Signed by Coonamble Shire Council

In accordance with the resolution of the
day of 2017

The Common Seal of the Council of the
Shire of Coonamble was hereunto
affixed on the day of 2017.

.....
Mayor

.....
General Manager

Signed by Dubbo Regional Council

In accordance with the resolution of the
day of 2017,
the Common Seal of the Council of the
Dubbo Region was hereunto affixed on
the day of 2017.

.....
Mayor

.....
General Manager

Signed by Gilgandra Shire Council

In accordance with the resolution of the
day of 2017
The Common Seal of the Council of the
Shire of Gilgandra was hereunto affixed
on the day of 2017.

.....
Mayor

.....
General Manager

Signed by Narromine Shire Council

In accordance with the resolution of the
day of 2017,
the Common Seal of the Council of the
Shire of Narromine was hereunto affixed
on the day of 2017.

.....
Mayor

.....
General Manager

Signed by Mid-Western Regional Council

In accordance with the resolution of the
day of 2017
The Common Seal of the Council of the
Mid-Western was hereunto affixed on
the day of 2017.

.....
Mayor

.....
General Manager

Signed by Walgett Shire Council

In accordance with the resolution of the
day of 2017
The Common Seal of the Council of the
Shire of Walgett was hereunto affixed on
the day of 2017.

.....
Mayor

.....
General Manager

Signed by Warrumbungle Shire Council

In accordance with the resolution of the
day of 2017

The Common Seal of the Council of the
Shire of Cobar was hereunto affixed on
the day of 2017.

.....
Mayor

.....
General Manager

Signed by Warren Shire Council

In accordance with the resolution of the
day of 2017,

the Common Seal of the Council of the
Shire of Warren was hereunto affixed on
the day of 2017.

.....
Mayor

.....
General Manager

ANNEXURE 1

LOWER MACQUARIE COUNCILS

WORKSHOP

MINISTERIAL INQUIRY INTO LOCAL GOVERNMENT WATER UTILITIES

**Held at Nyngan, on Friday
29 February, 2008**

OUTCOMES REPORT

DLM Environmental Consultants Pty Ltd

641 Macauley Street, NSW Albury

Telephone: (02) 6041 6403

Mobile: 0417 271 618

Email: daryl@bigpond.com

INTRODUCTION

A Workshop was held at Nyngan on Friday 29 February, involving six (6) Councils in the Lower Macquarie Valley and the Cobar Water Board as an observer.

The aim of the Group is to cooperate and assist each other to address and overcome any short-term deficiencies and impediments to achieving “Best Practice” and to demonstrate long term sustainability.

The driver for this Workshop was the Government announcement of an Inquiry into Local Water Utilities (LWU's), by Minister Nathan Rees.

The principal outcomes sought at the Workshop were to address the Minister's Terms of Reference for the Inquiry and to determine the applicability of a joint response to the Minister.

Workshop format

The Agenda for the Workshop was:

- Welcome by the Mayor of Bogan and the Mayor of Dubbo
- Overview of Review Process
- Presentation by each organisation, outlining their water and sewerage businesses and their status with respect to compliance with “Best Practice”
- A review of each Council's Best Practice Compliance and Performance Reporting, identifying deficiencies
- Identification of what needs to be done to achieve “Best Practice”, exploring opportunities for cooperative approaches
- Development of an Action Plan and Preferred “Model”
- Development of the Key Points of a Joint Submission
- Assignment of Tasks and Follow Up Actions.

Attendees

The following is a list of those who attended the Workshop:

Bogan Shire Council

Mayor Ray Donald

GM Mike Brady

Manager Engineering Services, Keith Dawe

Cobar Shire Council

Representing the Mayor, Councillor Peter Yench

GM Ray Smith

Cobar Water Board

Councillor Werner Muhlethaler (observer status only)

Dubbo City Council

Mayor Greg Matthews

GM Mark Riley

Director Technical Services, Stewart McLeod

Narromine Shire Council

Representing the Mayor, Councillor Mike Scott

GM Ian Rogan

Warren Shire Council

Mayor Rex Wilson

GM Ashley Wielinga

Manager Engineering Services, Michael Mae

Wellington Shire Council

Mayor Anne Jones

GM David Beaton

Manager Water & Sewerage, Eric Poga

Facilitator

Daryl McGregor

DLM Environmental Consultants Pty Ltd

Outcomes

The following represents a summary of the Key, agreed Outcomes from the Workshop:

- In terms of Best Practice, 2 of the 6 Councils have achieved compliance. (They being Dubbo City Council and Wellington Shire Council).
- There was general agreement that Regional Strategies could be prepared and adopted for:
 - Water Conservation Plans
 - Drought Management Plans
 - (and possibly IWCM Plans).
- Deficiencies in Best Practice and dates by which Compliance for the other four Councils would be achieved were noted as follows:

| | Bogan | Cobar | Narromine | Warren |
|-------------------------------|--|----------------------|----------------------|---------------------------------|
| - Strategic Business Plans | June '08 | Sept '08 | N/A | N/A |
| - Full Cost Recovery | 2009/10 | N/A | N/A | N/A |
| - Developer Servicing Plan | N/R (1) (No requirement) | 2009 | Jan '09 | N/R (1) (No requirement) |
| - Water Conservation Strategy | Partly Done | Adopt Joint Strategy | Adopt Joint Strategy | N/A |
| - Drought Management Plan | Draft Completed | Draft Completed | Draft Completed | Draft Completed |
| - IWCM | Aim to commence by June '08 – Potential for Joint Plan | | | Scoping Report submitted to DWE |

Note: (1): Both Bogan and Warren Councils are not experiencing any growth and, therefore, believe that there is no need for a formal DSP, at this stage. Both Councils have agreed to address this aspect in their respective SBP's and seek the necessary exemptions under the gazetted Best Practice Guidelines.

- All participants stated that they were Financially Viable and Sustainable

At this stage the Facilitator stressed to participants that this needed to be demonstrated via a Financial Management Plan, incorporating a 20-30 Year Capital Works Plan.

- Areas of concern were identified as:
 - Resources (including staff resources)
 - Skills / Expertise.
- The “Model” agreed upon was the Mandatory Alliance Model. The group determined to brand itself as the **LOWER MACQUARIE LWU ALLIANCE**.
- A Deed of Agreement (like the Weight of Loads Agreement) would be developed for signature by each participating Organisation.
- It was agreed that a Draft, Joint, Submission to the Inquiry be prepared, for consideration by each Organisation.
- The points to be addressed in the Joint Submission were agreed as:

- **Statement: The Review presents an opportunity for a range of Models to be implemented, designed to suit local and regional variations.**
- **Assets to be retained in Local Government ownership, as well as the management and operations of the water supply, sewerage and stormwater functions.**

Supporting points were:

- the geographic spread of operations
- customer service and customer serviceability
- the need to retain Councils' existing workforce and enable the development of skilled local work forces
- variable regional water sources, emphasizing the importance of local knowledge
- existing successful partnerships with diverse / major industry groups (e.g. mining)
- adverse impact on "other" Council activities if functions of water and sewerage are lost
- benefits of a one-stop-shop for all local approvals
- General Purpose Councils are the **only** organisations able to deliver **total** Integrated Water Cycle Management.

- **Commitment to a Regional, Cooperative Approach**

- demonstrated example (recent agreement in November 2007 to impose uniform water restrictions to achieve a Valley-based level of water savings)
- whole of valley (regulated source) approach
- opportunities to develop Regional Water Conservation Strategy, Drought Management Plan, (even) IWCM Plans
- a regional approach to environmental and public health monitoring and management and to integrate with the CMA
- opportunities to share technical knowledge, expertise and experience
- introduce a Peer Review process of Performance Reporting
- potential for water resource sharing arrangements.

- **Requires no Legislative Change** (with the possible exception at some point of changing the Water Act to allow transfer of water entitlements between Local Water Utilities by mutual consent in cases of hardship. This may be needed with several of the other possible models in any case).

Follow up actions

| | <i>By When</i> | <i>By Whom</i> |
|--|----------------------------|-----------------------|
| • Formally seek extension to making submission | ASAP | Each organisation |
| • Prepare a Draft Submission & circulate to participants | 7 March '08 | D McGregor & S McLeod |
| • Council Confirmation | No later than 31 March '08 | Each organisation |
| • Meet again to further the "Alliance". | To be Determined | N/A |

D McGregor
1 March 2008

ANNEXURE 2 - THE ALLIANCE WORKPLAN (To be Updated as Required)

Key Alliance Activities

1. Resource sharing, including staff, consultants and intellectual property. Completed Best Practice documents from individual Member Councils will be freely shared to assist other Councils in the Alliance to “understand” what a particular Best Practice initiative might entail, and provide a template which can be used in the future by those other Councils to complete their own document.
2. Mentoring between Member Councils where the more advanced Councils in any one area of Best Practice assist the less advanced Councils in the Alliance. The Alliance is committed to the achievement of gazetted Best Practice across all Member Councils as a key Alliance Objective.
3. Peer reviews of data preparation for, and results of, Member Councils’ Annual Performance Reports. Numerical benchmarking from the Annual Reports will inevitably lead over time to Process benchmarking across the Alliance at a more detailed level.
4. Water resource sharing and other whole-of-valley approaches to water cycle issues in the Lower Macquarie River Valley to optimise natural resource management and extractive water use by all Member Councils.
5. Adoption of common operational standards (eg Water Restriction Levels).
6. Joint engagement of contractors and joint procurement of materials and equipment where mutual benefits are obtainable.
7. Joint employment of staff in Phase 2 of the Alliance to deliver Best Practice outcomes in all Member Councils (one person initially).
8. Transfer of knowledge between Member Councils, between Staff and Elected Officials, and between technical/administrative/accounting silos of each Member Council to improve knowledge of, and compliance with, gazetted Best Practice.
9. Engagement of key State Government Agencies (Central West CMA, State Water and Department of Water and Energy) on a joint basis to improve the effectiveness and efficiency of that engagement process.

Specific Projects and Timeframes for the Period 2008 to 2010 (To be amended as appropriate)

1. Bogan Shire to complete Strategic Business Plans for Water Supply and Sewerage by 30 June 2008.
2. Cobar Shire to complete Strategic Business Plans for Water Supply and Sewerage by 30 September 2008.
3. Warren and Bogan Shires to seek DWE sign-off on NOT preparing a Development Servicing Plan for their respective LGA's by 30 September 2008 due to the likelihood of future development being insufficient to warrant same.
4. Narromine Shire to complete Development Servicing Plan by 31 December 2008.
5. Cobar Shire to complete Development Servicing Plan by 30 June 2009.
6. Develop Brief for preparation of a "Regional IWCM Plan" by 31 December 2008 using the completed IWCM Studies and Plans from Wellington and Dubbo Councils as possible templates against which the needs of Narromine, Warren, Bogan and Cobar LGA's might be met by engaging one consultant in lieu of four separate engagements.
7. Develop Brief for preparation of a "Regional Demand Management (Water Conservation) Plan" by 31 December 2008 using the completed Demand Management Plans from Wellington, Dubbo and Warren Councils, and the Draft Plan from Bogan Council, as possible templates against which the needs of Narromine, Bogan and Cobar Councils might be met by engaging one consultant in lieu of two or three separate engagements.
8. Develop a Brief for preparation of a "Regional Drought Management Plan" for the Alliance by 31 December 2008 using the completed Drought Management Plans of Wellington and Dubbo Councils, and the Draft Drought Management Plans from Bogan, Cobar, Narromine and Warren Councils, as inputs to (and possible templates for) such a Plan. The aim of a Regional Drought Management Plan would be to explore opportunities for joint triggers to Water Restriction Levels, transference of Water Allocations between Member Councils as a means of sharing available global water volumes to avoid unnecessarily harsh water restrictions within individual Member Council LGA's, maximising the lobbying effort Alliance members may be able to exert on each others' behalf to achieve identified drought mitigation outcomes, and generally increase the ability of the Alliance to influence State Government Agencies responsible for water allocations within a particular Drought Cycle.
9. Cobar Shire to move to Full Cost Recovery Water Supply and Sewerage Pricing for the 2009/10 Financial Year.
10. Technical Committee and key staff involved in submitting the Annual Performance Data Return to DWE to meet during August 2008 (and again as required) to peer review the accuracy and completeness of the data being submitted from the Member Councils for the 2007/08 reporting year. The Annual Performance Reports from DWE are a valuable source of benchmarking data and if Member Councils begin to have a higher level of

trust in the raw data the potential for deeper level “process benchmarking” across the Alliance will be significantly enhanced.

11. Quotations to be sought by 31 December 2008 for a joint water supply reservoir cleaning contract across the Alliance.
12. Technical Committee to investigate by 31 October 2008 potential areas for joint procurement of water supply and sewerage materials.
13. Technical Committee to devise a listing of specialist equipment and staff possessed by particular Member Councils which can be utilised on an occasional basis by the other Member Councils as required.
14. Technical Committee to devise and champion “Special Interest Groups” across the Alliance, including a Water Treatment Group, an Overseers and Supervisors Group, a DECC Licence Returns Group, and other groups to be determined over time. The aim of these Groups will be to share knowledge, problems, solutions etc and undertake reciprocal visits to each others’ facilities in order to do so.
15. Since the ability of “small” Councils to achieve reliable water supply treatment to the 2004 Australian Drinking Water Guidelines is held up by many in the industry as a key “issue” in the water reform process presently underway across Australia, priority will be given in the first instance to the creation of an Operators Group. In the first instance, this Group would undertake self-audits across the Alliance for the information of the Technical Committee so that the Alliance can assess for itself the quality of the processes and practices in use at each Member Councils’ facilities.
16. Make appointments to see State Water, Central West CMA and Dubbo Office of DWE by 30 September to “introduce” the Alliance and identify issues of common concern and/or mutual benefit that the Alliance may work on over time with each of these key stakeholder organisations.
17. On the assumption that the Alliance moves from Phase 1 to Phase 2 during 2009 it will be necessary to devise a Position Description, Salary Package, and Recruitment Strategy for a PROJECT OFFICER by 28 February 2009. At this stage, the Project Officer is seen to be an “engineering” professional able to personally deliver some strategic Best Practice outcomes for Member Councils in areas like asset management plans or IWCM Plans, brief and supervise consultants on behalf of the Alliance or Member Councils, administer the Alliance in terms of Agendas, Minutes, Correspondence etc, and act as Secretariat and “organiser” for the Special Interest Groups proposed at (14) and (15) above. It is probable that the Project Officer would physically operate out of the Dubbo City Council Administration Building but be funded on a joint basis by the Alliance Membership.

Attachment 4.

Lower Macquarie Work Plan

As part of the finalising a new Deed of Agreement amongst the Alliance members, it was requested by GMAC that consideration be given to a new, formalised Work Plan which provides the overarching goals deemed to be the focus of the Alliance, which in turn, feeds into the formulation of specific projects and into each Council's annual Budget.

As discussed at the June meeting, it is planned to hold a workshop at the October meeting which will provide a focus on each member's aspirations for the Alliance and their Water Utility. To start this discussion, I have prepared a early draft of the Work Plan for discussion now, and to start some thinking to populate in greater detail, the Alliance Work Plan.

Recommendation.

For information and discussion.



LOWER MACQUARIE WATER UTILITIES ALLIANCE

WORKPLAN

Key Alliance Activities

1. Resource sharing, including staff, consultants, and intellectual property. Completed Best Practice documents from individual Member Councils will be freely shared to assist other Councils in the Alliance to “understand” what a ‘Best Practice’ initiative might entail, and provide a template which can be used in the future by those other Councils to complete their own document.
2. Mentoring between Member Councils where the more advanced Councils in any one area of Best Practice will assist the less advanced Councils in the Alliance. The Alliance is committed to the achievement of gazetted Best Practice across all Member Councils as a key Alliance Objective.
3. Peer reviews of data preparation for, and results of, Member Councils’ Annual Performance Reports. Numerical benchmarking from the Annual Reports will inevitably lead over time to Process benchmarking across the Alliance at a more detailed level.
4. Water resource sharing and other whole-of-valley approaches to water cycle issues in the Lower Macquarie River Valley to optimise natural resource management and extractive water use by all Member Councils.
5. Adoption of common operational standards, Policies and other documentation which can facilitate common practises where practicable across the member councils.
6. Joint engagement of contractors and joint procurement of materials and equipment where mutual benefits are identified & obtainable.
7. Where possible joint employment of staff to deliver Best Practice outcomes in all Member Councils. (initially this would be a project officer, but may include other joint roles).
8. Transfer of knowledge between Member Councils, between Staff and Elected Officials, and between technical/administrative/accounting silos of each

Member Council to improve knowledge of, and compliance with, gazetted Best Practice.

9. Engagement of key State Government Agencies (NSW Health, State Water, and Department of Primary Industries – Water) and others as necessary, on a joint basis to improve the effectiveness and efficiency of that engagement process.

Specific Projects and Timeframes for the Period 2017 to 2020 (Subject to annual review and update)

1. Central Darling, Coonamble, Gilgandra, Walgett and Warrumbungle Shire Councils to complete IWCM/Strategic Business Plans for Water Supply and Sewerage by 30 June 2018.
2. Central Darling, Coonamble, Gilgandra, Walgett, and Warrumbungle Shire Councils to complete Pricing Strategy to include water and sewer, Developer Charges (where required), Liquid Trade Waste Policy and approvals as required under the DPI Water Best Practice requirements by 30 December 2018.
3. Technical Committee to undertake a complete review of the status of best practice documentation across the other member councils and act to ensure these documents continue to meet the requirements of DPI Water by updating each Plan to match current operating conditions, changes in Policies, specific requirements of State Government agencies, external funding, and accelerated capital works by December 2017.
4. Work with Dubbo Regional Council towards the appointment of a Regional Liquid Trade Waste (LTW) Officer to assist members to fully implement their LTW Policies by December 2017.
5. Undertake a Regional Water Loss project to reduce unaccounted for water across the Alliance to match available budgets; in strategic stages as:
 - a. Water Loss Management Plan by June 2018.
 - b. Installation of Water Drop tests across all water reticulation networks by December 2018
 - c. Installation of key water meters by June 2019
 - d. Installation of Smart Water Meters across the Alliance with the current technologies available by June 2020
6. Continue to seek funding for the implementation of Council-specific Drinking Water Management Plans and the facilitation of Drinking Water Quality Committees within each Council to assist with the delivery of world's best practice drinking water.
7. Technical Committee and key staff involved in submitting the Annual Performance Data Return to DWE to meet during August each year to peer review the accuracy and completeness of the data being submitted from the

Member Councils for each reporting year. The Annual Performance Reports are a valuable source of benchmarking data and if Member Councils begin to have a higher level of trust in the raw data the potential for deeper level “process benchmarking” across the Alliance will be significantly enhanced.

8. Work with OROC in the facilitation of an Assets Management Group across all asset classes and implement good best practice initiatives.
9. Develop and implement an Alliance training program for all LWU staff to meet and exceed contemporary regulatory requirements, and the appropriate delivery of water and sewer management.
- 10.10. Develop Energy Efficiency Plans across all member councils
11. Work with the NSW Water Directorate in the development of processes to manage the installation of plant, equipment, and towers on water supply assets

Attachment 5.

NSW Water Directorate.

With the departure of Tim Wark and Peter Chudek from Alliance Councils, a position now exists for the second Alliance position on the Executive Committee of the NSW Water Directorate. This is in addition to Rolly Lawford who remains the Alliance representative, and the Project Officer O who has a standing invitation to attend as an observer.

In various informal discussions, it has been suggested that an excellent choice for this role might be David Kirby of Brewarrina Shire Council. He has expressed an interest in this role, and has obtained the agreement to it from his General Manager. On this basis, I seek your agreement to recommend to GMAC that they should consider the nomination of David for this role.

The process for appointing these positions comes from the Directorate in the form of an Expression of Interest requested of each Council's GM. If the Committee agrees to this suggestion, by email I would make this known to each of the LMWUA GMs who can then indicate this accordingly to the Water Directorate. If there is only one nomination for the role, there is then no need for a ballot (or a postal plebiscite) and the nomination becomes elected.

Recommendation.

That the Technical Committee advise the LMWUA member GMs that their nomination for the vacant position on the Executive Committee of the NSW Water Directorate be David Kirby of Brewarrina Shire Council.