



20th April 2017

NOTICE OF MEETING OF THE COUNCIL

The meeting of the Council will be held at

FEDERATION COUNCIL, URANA OFFICE, 30-32 WILLIAM STREET, URANA NSW
on

WEDNESDAY, 26th APRIL 2017 at 11.30 am.
and your attendance is requested accordingly.

SITE TOUR

9.00 am	Leave Administration Office for site visits to: 10 Mil Reservoir replacement, Dunn's Road, Shires Reservoir Construction Site Collingullie Aeration Cover Urana WTP completion & next stage. Morning Tea
11.30 am	Council Meeting
1.00 pm	Lunch

Enclosed shoes and safety vests required for site visits.

Yours faithfully

A handwritten signature in black ink, appearing to be 'Bede Spannagle'.

Bede Spannagle
ACTING GENERAL MANAGER



*** AGENDA ***

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GENERAL MANAGER'S REPORT TO THE COUNCIL

20th April 2017

The Chairperson and Councillors:

1. FINANCIAL STATEMENTS – LIST OF INVESTMENTS

RECOMMENDED that the report detailing Council's external investments for the months of February and March 2017 be received

In accordance with the provisions of Clause 19(3) of the Local Government (Financial Management) Regulation 1993, I report details of the Council's external investments as at 28th February and 31st March 2017 as follows:

- **Monthly investment report as at 28th February 2017**
- **Monthly Investment Report as at 31st March 2017**

Monthly Investment Report as at 28/2/17

a) Council's Investments as at 28/2/17

Investment	Inception Date	Term (Days)	Maturity Date	S&P Rating	Interest Rate (%)	Performance Benchmark	Benchmark Rate (%)	Percentage of Portfolio	Principal Value	Market Value
Term Deposits										
ME Bank	17/01/2017	91	18/04/17	A-2	2.70	BBSW	1.62	10.643%	\$1,500,000.00	\$1,500,000.00
ME Bank	7/02/2017	27	06/03/17	A-2	1.85	BBSW	1.63	10.643%	\$1,500,000.00	\$1,500,000.00
ME Bank	10/01/2017	71	22/03/17	A-2	2.15	BBSW	1.62	7.095%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	13/02/2017	59	13/04/17	A-1+	2.34	BBSW	1.62	7.095%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	22/12/2016	90	22/03/17	A-1+	2.64	BBSW	1.62	14.191%	\$2,000,000.00	\$2,000,000.00
National Australia Bank	7/02/2017	59	07/04/17	A-1+	2.36	BBSW	1.62	14.191%	\$2,000,000.00	\$2,000,000.00
								63.86%	\$9,000,000.00	\$9,000,000.00
Cash Deposit Account										
T Corp				A-1+	2.52	Cash Rate	1.50	16.53%	\$2,329,544.51	\$2,329,544.51
AMP				A-1	2.05	Cash Rate	1.50	19.614%	\$2,764,379.72	\$2,764,379.72
								36.14%	\$5,093,924.23	\$5,093,924.23
TOTAL INVESTMENTS								100.00%	\$14,093,924.23	\$14,093,924.23
Cash at Bank										\$493,897.04
TOTAL FUNDS										\$14,587,821.27

b) Application of Investment Funds

Restricted Funds	Description	Value
Externally Restricted	LIRS Loan Funds	\$0.00
		\$0.00
Internally Restricted	Employee Leave Entitlements (30% of ELE)	\$1,140,647.69
	Asset Replacement	\$1,516,740.00
	Loan Funds	\$0.00
	Sales Fluctuation	\$5,000,000.00
		\$7,657,387.69
Unrestricted Funds		\$6,930,433.58
TOTAL FUNDS		\$14,587,821.27

* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year.

CERTIFICATE

I hereby certify that all the above investments have been made in accordance with the provision of Section 625 of the Local Government Act 1993 and the regulations thereunder.

M. L. Curran

M Curran

MANAGER CORPORATE SERVICES

Monthly Investment Report as at 31/3/17

a) Council's Investments as at 31/3/17

Investment	Inception Date	Term (Days)	Maturity Date	S&P Rating	Interest Rate (%)	Performance Benchmark	Benchmark Rate (%)	Percentage of Portfolio	Principal Value	Market Value
Term Deposits										
ME Bank	17/01/2017	91	18/04/17	A-2	2.70	BBSW	1.62	9.288%	\$1,500,000.00	\$1,500,000.00
Beyond Bank	6/03/2017	92	06/06/17	A-2	2.65	BBSW	1.62	9.288%	\$1,500,000.00	\$1,500,000.00
ME Bank	22/03/2017	90	20/06/17	A-2	2.50	BBSW	1.62	6.192%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	13/02/2017	59	13/04/17	A-1+	2.34	BBSW	1.63	6.192%	\$1,000,000.00	\$1,000,000.00
National Australia Bank	22/03/2017	90	20/06/17	A-1+	2.53	BBSW	1.62	12.384%	\$2,000,000.00	\$2,000,000.00
National Australia Bank	7/02/2017	59	07/04/17	A-1+	2.36	BBSW	1.63	12.384%	\$2,000,000.00	\$2,000,000.00
								55.73%	\$9,000,000.00	\$9,000,000.00
Cash Deposit Account										
T Corp				A-1+	2.50	Cash Rate	1.50	18.18%	\$2,935,372.00	\$2,935,372.00
AMP				A-1	2.05	Cash Rate	1.50	26.096%	\$4,214,349.72	\$4,214,349.72
								44.27%	\$7,149,721.72	\$7,149,721.72
TOTAL INVESTMENTS								100.00%	\$16,149,721.72	\$16,149,721.72
Cash at Bank										\$1,227,838.77
TOTAL FUNDS										\$17,377,560.49

b) Application of Investment Funds

Restricted Funds	Description	Value
Externally Restricted	LIRS Loan Funds	\$0.00
		\$0.00
Internally Restricted	Employee Leave Entitlements (30% of ELE)	\$1,140,647.69
	Asset Replacement	\$1,516,740.00
	Loan Funds	\$0.00
	Sales Fluctuation	\$5,000,000.00
		\$7,657,387.69
Unrestricted Funds		\$9,720,172.80
TOTAL FUNDS		\$17,377,560.49

* Externally & Internally Restricted Reserve figures are subject to final adjustment and external audit at 30 June each year.

CERTIFICATE

I hereby certify that all the above investments have been made in accordance with the provision of Section 625 of the Local Government Act 1993 and the regulations thereunder.

M. L. Curran

M Curran

MANAGER CORPORATE SERVICES

2. QUARTERLY BUDGET REVIEW – PERIOD ENDED THE 31ST MARCH 2017

RECOMMENDATION that the Quarterly Budget Review for the period ended 31 March 2017 be received and adopted.

The Quarterly Review of Council's Budget for the period ended 31 March 2017 is submitted for examination by the Council.

The anticipated Operating Result for 2016/2017 is a surplus of \$7,393,000. The Operating Result was originally budgeted for a surplus of \$5,016,000. The Capital Works expenditure budget is in addition to this amount and is covered in the following paragraph. Proposed March quarterly review operational adjustments relate to:

- \$1,500,000 additional water sales due to hot summer period
- \$150,000 additional interest income due to extra cash on hand from deferred CAPEX projects and additional water sales
- \$250,000 additional other income from water filling stations
- \$137,000 additional other income from court settlement
- \$250,000 reduction in operational wages, transferred to CAPEX projects

Also included is a quarterly review of Capital Works Projects. The Proposed Capital Budget totals \$21,474,959. The original Capital Budget was \$24,431,000. Proposed March quarterly review capital works adjustments total \$7,818,000 reduction and primarily relate to relate to:

- \$1,500,000 decrease for Levee deferred to 2017/18
- \$320,000 decrease for Aeration Covers deferred to 2017/18
- \$6,000,000 decrease for Wagga WTP project deferred to 2017/18
- \$120,000 decrease Woomargama WTP project deferred to 2019/20
- \$273,000 decrease for deferral of Remote Metering project
- \$100,000 increase for Rock Upgrade
- \$260,000 increase for RIFL upgrade works for WWCC / BMD

The Quarterly Budget Review Statement should be read in conjunction with the detailed Capital Expenditure Quarterly Review, which is included at the end of this report.

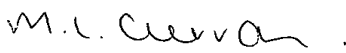
- **Quarterly Budget Review 31 March 2017**

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Report by Responsible Accounting Officer

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

It is my opinion that the Quarterly Budget Review Statement for Riverina Water County Council for the quarter ended 31/03/17 indicates that Council's projected financial position at 30/6/17 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

Signed: 

date: 13/04/2017

Ms Michele Curran
Responsible Accounting Officer

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 March 2017

							Current Year	Prior Year
(\$000's)	Original Budget 2016/17	Approved Changes Carry Forwards	Sep QBRS	Revised Budget 2016/17	Variations for this Mar Qtr	Notes Projected Year End Result	Actual YTD figures	Actual YTD figures
Income								
Rates and Annual Charges	4,928			4,928		4,928	3,912	3,832
User Charges and Fees	19,394			19,394	1,500	2a 20,894	15,663	16,106
Interest and Investment Revenues	200			200	150	2b 350	277	580
Other Revenues	130			130	387	2c 517	495	608
Grants & Contributions - Operating	207			207		207	5	12
Grants & Contributions - Capital	2,718			2,718		2,718	2,062	3,776
Total Income from Continuing Operations	27,577	-	-	27,577	2,037	29,614	22,414	24,914
Expenses								
Employee Costs	7,996			7,996	(250)	2d 7,746	5,368	4,989
Borrowing Costs	885		(130)	755		755	498	528
Materials & Contracts	3,594			3,594		3,594	1,979	1,742
Depreciation	7,100			7,100		7,100	4,297	5,155
Other Expenses	2,986	40		3,026		3,026	2,266	2,214
Total Expenses from Continuing Operations	22,561	40	(130)	22,471	(250)	22,221	14,408	14,628
Net Operating Result from Continuing Operation	5,016	(40)	130	5,106	2,287	7,393	8,006	10,286
Net Operating Result before Capital Items	2,298	(40)	130	2,388	2,287	4,675	5,944	6,510

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

2a	Additional water sales due to hot summer period
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2b	Additional interest revenue due to extra funds from deferred CAPEX and water sales
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2c	Additional other income from water filling stations and court case settlement
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2d	Engineering wages transferred to CAPEX projects
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Capital Budget Review Statement

Budget review for the quarter ended 31 March 2017

									Current Year	Prior Year
(\$000's)	Original Budget 2016/17	Approved Changes Carry Forwards	Sep QBRs	Dec QBRs	Revised Budget 2016/17	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures	Actual YTD figures
Capital Expenditure										
Plant & Equipment	873				873			873	977	716
Office Equipment & IT	419	158		40	617	(1,500)	3a	(883)	262	262
Land & Buildings	1,790	192			1,982			1,982	193	3,270
Water Infrastructure	21,349	2,732		1,740	25,821	(6,318)	3b	19,503	12,232	11,586
Other Assets					-			-		
Loan Repayments (Principal)	1,642		(143)		1,499			1,499	1,114	1,049
Total Capital Expenditure	26,073	3,082	(143)	1,780	30,792	(7,818)		22,974	14,778	16,883
Capital Funding										
Rates & Other Untied Funding	18,073	3,082	7,857	1,780	30,792	(7,818)		22,974	14,778	16,883
New Loans	8,000		(8,000)		-			-		-
Total Capital Funding	26,073	3,082	(143)	1,780	30,792	(7,818)		22,974	14,778	16,883
Net Capital Funding - Surplus/(Deficit)	-	-	-	-	-	-		-	-	-

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

Refer to Capital Works Progress report for more detail on Capital Projects and review adjustments

3a	Defer Levee project to 2017/18
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3b	Primarily due to deferring \$6M WTP project to 2017/18. Other project deferrals include \$120k Woomargama WTP, \$160k East Wagga Aeration Basin Cover, \$100k Bulgary & Ralvona Aeration Covers, \$273k Remote Metering
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Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 March 2017

(\$000's)	Original Budget 2016/17	Approved Changes Sep QBRs	Mar QBRs	Revised Budget 2016/17	Variations for this Mar Qtr	Notes	Projected Year End Result	Actual YTD figures
Externally Restricted ⁽¹⁾								
Loan Funds - LIRS	-			-			-	-
Total Externally Restricted	-	-	-	-	-		-	-
(1) Funds that must be spent for a specific purpose								
Internally Restricted ⁽²⁾								
Employee Leave Entitlements	1,130			1,130			1,130	1,140
Asset Replacement	1,600			1,600			1,600	1,643
Sales Fluctuation	4,000			4,000			4,000	5,000
Total Internally Restricted	6,730	-	-	6,730	-		6,730	7,783
(2) Funds that Council has earmarked for a specific purpose								
Unrestricted (ie. available after the above Restrictions)	145	252	(3,701)	(3,304)	5,464	4a	5,861	9,595
Total Cash & Investments	6,875	252		7,127	5,464		12,591	17,378

Cash & Investments Budget Review Statement

Comment on Cash & Investments Position

Cash & Investment balance at the start of the financial year was slightly higher than anticipated after 2015/16 end of year final results, which has increased the 2016/17 anticipated end of year balance and reduced required borrowings to nil. Various CAPEX projects have been deferred to 2017/18 and there have been extra water sales due to a dry summer, which has increase anticipated year end balance further in the March 2017 review.

Investments

Investments have been invested in accordance with Council's Investment Policy.

Cash

This Cash at Bank amount has been reconciled to Council's physical Bank Statements.
The date of completion of this bank reconciliation is 31/03/17

Reconciliation Status

The YTD Cash & Investment figure reconciles to the actual balances held as follows:		\$ 000's
Cash at Bank (as per bank statements)		1,183
Investments on Hand		16,150
less: Unpresented Cheques	(Timing Difference)	(6)
add: Undeposited Funds	(Timing Difference)	51
Reconciled Cash at Bank & Investments		17,378
Balance as per Review Statement:		17,378
Difference:		-

Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes	Details
4a	Additional anticipated cash on hand due to deferred CAPEX and extra water sales

Key Performance Indicators Budget Review Statement - Council specific KPI's

Budget review for the quarter ended 31 March 2017

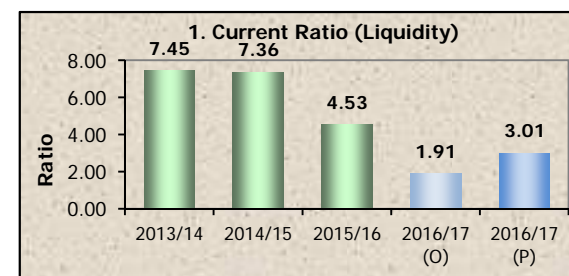
(\$000's)	Current Projection		Original Budget 16/17	Actuals	
	Amounts	Indicator		Prior Periods	
	16/17	16/17		15/16	14/15

The Council monitors the following Key Performance Indicators:

1. Current Ratio (Liquidity)

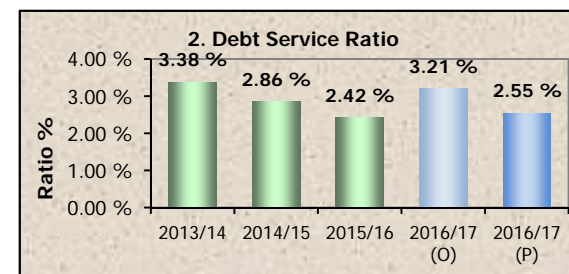
Current Assets	20024	3.01	1.91	4.53	7.36
Current Liabilities	6658				

This measures Council's ability to pay existing liabilities in the next 12 months. (target > 1.5)


2. Debt Service Ratio

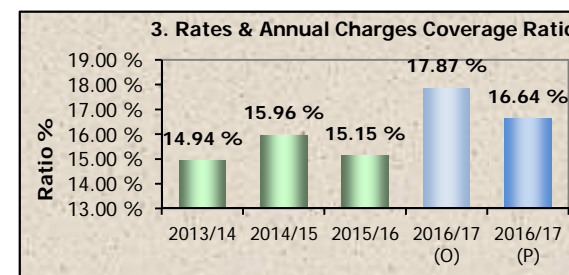
Debt Service Cost	755	2.55 %	3.21 %	2.42 %	2.86 %
Income from Continuing Operations	29614				

This measures Council's ability to meet interest payments and therefore service debt. (target 0% to 5%)


3. Rates & Annual Charges Coverage Ratio

Rates & Annual Charges	4928	16.64 %	17.87 %	15.15 %	15.96 %
Income from Continuing Operations	29614				

To assess the degree of Council's dependence upon revenue from rates and annual charges and to assess the security of Council's income. (target < 25%)



Key Performance Indicators Budget Review Statement - Council specific KPI's

Budget review for the quarter ended 31 March 2017

(\$000's)	Current Projection		Original Budget 16/17	Actuals	
	Amounts	Indicator		Prior Periods	
	16/17	16/17		15/16	14/15

The Council monitors the following Key Performance Indicators:

4. Capital Replacement Ratio

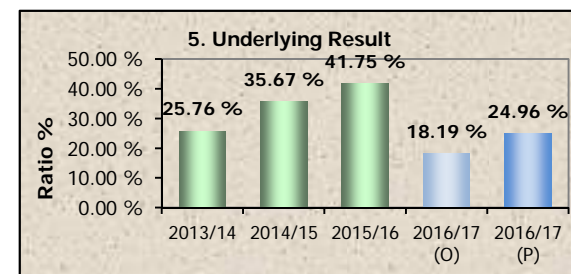
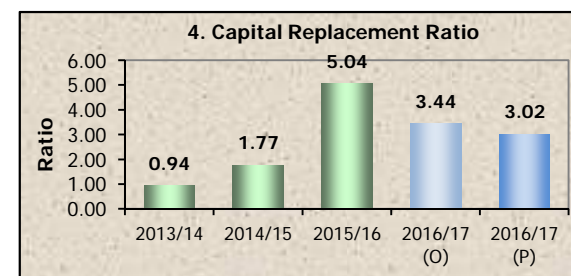
Infrastructure, Property, Plant & Equipment	21475	3.02	3.44	5.04	1.77
Depreciation	7100				

Comparison of the rate of spending on IPP&E with consumption of assets. This is a long-term indicator, as capital expenditure can be deferred in the short term if insufficient funds are available from operations and borrowing is not an option. (target > 1.5)

5. Underlying Result

Net Result	7393	24.96 %	18.19 %	41.75 %	35.67 %
Total Revenue	29614				

A positive result indicates a surplus and the larger the percentage the stronger the result. A negative result indicates a deficit. Operating deficits cannot be sustained in the long term. (target > 0%)



Contracts Budget Review Statement

Budget review for the quarter ended 31 March 2017

Part A - Contracts Listing - contracts entered into during the quarter

Contractor	Contract detail & purpose	Contract Value	Start Date	Duration of Contract	Budgeted (Y/N)	Notes
Martin & Wheeler	Airconditioning upgrade in Administration Building	128,050	Oct 16	6 months	Y	
Stephen Shaw	Earthworks for Reservoir Pad, access road and banks	140,000	Oct 16	6 months	Y	

Notes:

1. Minimum reporting level is 1% of estimated income from continuing operations of Council or \$50,000 - whichever is the lesser.
2. Contracts listed are those entered into during the quarter being reported and exclude contractors on Council's Preferred Supplier list.
3. Contracts for employment are not required to be included.
4. Monetary figures are GST exclusive

Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

Expense	YTD Expenditure (Actual Dollars)	Budgeted (Y/N)
Consultancies	19,239	Y
Legal Fees	4,994	Y

Definition of a consultant:

A consultant is a person or organisation engaged under contract on a temporary basis to provide recommendations or high level specialist or professional advice to assist decision making by management. Generally it is the advisory nature of the work that differentiates a consultant from other contractors.

Comments

Expenditure included in the above YTD figure but not budgeted includes:

Details

N/A

Riverina Water County Council

OPERATING SUMMARY - 31 MARCH 2017 QUARTERLY BUDGET REVIEW

OPERATING SUMMARY	YTD ACTUAL \$'000	CURRENT BUDGET \$'000	REMAINING \$'000	% AVAILABLE	31/3/17 REVIEW ADJUSTMENT	REVISED BUDGET \$'000	REVIEW ADJUSTMENT COMMENT
OPERATING INCOME							
Access Charges							
Urban	3,210	3,964	754	19%		3,964	
Non-Urban	702	963	261	27%		963	
	3,912	4,928	1,015	21%	0	4,928	
User Charges							
Consumption Charges							
Urban	12,567	15,299	2,732	18%	1,300	16,599	Additional summer water sales due to hot weather
Non-Urban	2,389	3,252	864	27%	200	3,452	Additional summer water sales due to hot weather
	14,955	18,551	3,596	19%	1,500	20,051	
Extra Charges							
Urban	64	20	-44	-220%		20	
Non-Urban	11	20	9	0%		20	
	75	40	-35	-88%	0	40	
Other Income	1,000	893	-107	-12%	387	1,280	Water filling station additional income & court case settlement
Interest	277	200	-77	-38%	150	350	Extra interest on cash on hand due to unspent CAPEX & higher water sales
Operating Grants & Contributions	5	207	202	98%		207	
Capital Grants & Contributions	2,062	2,718	656	24%	0	2,718	
Private Works Income	128	40	-88	0%		40	
TOTAL OPERATING INCOME	22,827	27,577	4,750	17%	2,037	29,614	
OPERATING EXPENSES							
Management	4,878	8,151	3,272	40%	-250	7,901	Transfer Engineering wages cost to CAPEX projects
Operations & Maintenance							
Buildings & Grounds							
Urban	483	712	229	32%	0	712	

OPERATING SUMMARY	YTD ACTUAL \$'000	CURRENT BUDGET \$'000	REMAINING \$'000	% AVAILABLE	31/3/17 REVIEW ADJUSTMENT	REVISED BUDGET \$'000	REVIEW ADJUSTMENT COMMENT
Non-Urban	36	54	18	34%	0	54	
	519	766	247	32%	0	766	
<i>Management - Operations</i>							
Urban	709	1,000	291	29%	0	1,000	
Non-Urban	261	410	149	36%	0	410	
	970	1,410	440	31%	0	1,410	
<i>Sources</i>							
Urban	611	802	191	24%	0	802	
Non-Urban	102	223	121	54%	0	223	
	713	1,025	312	30%	0	1,025	
<i>Pumping Stations</i>							
Urban	188	234	45	19%	0	234	
Non-Urban	166	180	14	8%	0	180	
	354	414	60	14%	0	414	
<i>Reservoirs</i>							
Urban	124	162	38	23%	0	162	
Non-Urban	152	46	-106	-231%	0	46	
	277	208	-69	-33%	0	208	
<i>Treatment Plant</i>							
Urban	1,026	1,465	439	30%	0	1,465	
Non-Urban	363	483	120	25%	0	483	
	1,389	1,948	559	29%	0	1,948	
<i>Mains & Services</i>							
Supervision	136	298	162	54%	0	298	
Urban	663	861	198	23%	0	861	
Non-Urban	377	606	228	38%		606	
	1,177	1,764	588	33%	0	1,764	
<i>Other Operations</i>	-166	-314	-148	0%		-314	
Depreciation	4,297	7,100	2,803	39%		7,100	
TOTAL OPERATING EXPENSES	14,408	22,471	8,063	36%	-250	22,221	
OPERATING RESULT	8,419	5,106			2,287	7,393	

Riverina Water County Council

BALANCE SHEET

	Actual 2015/16 \$'000	Projected 2016/17 \$'000
ASSETS		
Current Assets		
Cash & Cash Equivalents	19,890	12,591
Receivables	5,079	3,838
Inventories	2,770	3,594
Total Current Assets	27,739	20,024
Non-Current Assets		
Infrastructure, Property, Plant & Equipment	320,524	334,582
Intangible Assets	3,500	3,500
Total Non-Current Assets	324,024	338,082
TOTAL ASSETS	351,763	358,106
LIABILITIES		
Current Liabilities		
Payables	826	860
Borrowings	1,499	1,582
Provisions	3,803	4,216
Total Current Liabilities	6,128	6,658
Non-Current Liabilities		
Borrowings	12,262	10,680
Total Non-Current Liabilities	12,262	10,680
TOTAL LIABILITIES	18,390	17,338
Net Assets	333,373	340,767
EQUITY		
Retained Earnings	98,893	106,287
Revaluation Reserves	234,480	234,480
Total Equity	333,373	340,767

31 MARCH 2017 CAPEX QUARTERLY BUDGET REVIEW

Description	Current Budget 2016/17	YTD Actual 2016/17	Budget Remaining	31/3/17 QBR	Revised Budget 2016/17	Comment
	\$	\$	\$	\$	\$	
MANAGEMENT						
LAND & BUILDINGS FOR ADMIN. DEPOTS AND WORKSHOPS						
Administration Office	215,000	129,417	85,583	0	215,000	
Depot Buildings	40,000	63,647	-23,647	0	40,000	
Workshops	10,000	0	10,000	0	10,000	
Access, Parking and Landscaping	1,717,328	57,197	1,660,131	-1,500,000	217,328	Defer levee to 2017/18
SUB-TOTAL LAND & BUILDINGS FOR ADMIN, DEPOTS & WORKSHOPS	1,982,328	250,262	1,732,066	-1,500,000	482,328	
PLANT & EQUIPMENT						
IT Equipment	145,000	66,975	78,025	0	145,000	
Office Furniture & Equipment	4,000	0	4,000	0	4,000	
Working Plant & Vehicle Purchases	858,000	974,482	-116,482	0	858,000	
Fixed Plant Tools & Equipment	15,000	2,178	12,822	0	15,000	
Telemetry & Control Systems Upgrade	268,000	36,480	231,520	-30,000	238,000	
Radio Communications Upgrade/Replacements/Improvements	100,000	0	100,000	30,000	130,000	
RTUs - New/Additional	55,000	86,987	-31,987	0	55,000	
RTUs - Replacements/Upgrades	0	10,914	-10,914	0	0	
Energy Efficiency & Cost Minimisation	45,000	61,112	-16,112	0	45,000	
SUB-TOTAL PLANT & EQUIPMENT	1,490,000	1,239,129	250,871	0	1,490,000	
TOTAL MANAGEMENT	3,472,328	1,489,391	1,982,937	-1,500,000	1,972,328	
SOURCES						
Bores-renew/refurbish/decommission	170,000	122,490	47,510	0	170,000	
Source Works General Improvements	25,000	17,946	7,054	0	25,000	
Switchboards Improvements/Replacements	5,000	1,640	3,360	0	5,000	
TOTAL SOURCES	200,000	142,076	57,924	0	200,000	
TREATMENT PLANTS						
General Improvements	5,000	0	5,000	0	5,000	
Aeration Tower Replacements	15,000	60,257	-45,257	15,000	30,000	

Description	Current Budget 2016/17	YTD Actual 2016/17	Budget Remaining	31/3/17 QBR	Revised Budget 2016/17	Comment
	\$	\$	\$	\$	\$	
Aeration Tower Covers	350,000	118	349,882	-320,000	30,000	Defer Aeration covers for East Wagga, Bulgary, Ralvona, Gardners Crossing to 2017/18
Specific Treatment Plant improvements	30,000	4,536	25,464	0	30,000	
Treatment Plant refurbishments	17,162,980	7,712,056	9,450,924	-6,120,000	11,042,980	Defer WTP to 2017/18 & Woomargama WTP to 2019/20
Laboratory Facilities Upgrade	50,000	8,994	41,006	0	50,000	
Treatment Plant Switchboards/Control Systems Replacement/Upgrade	20,000	1,469	18,531	0	20,000	
TOTAL TREATMENT PLANTS	17,632,980	7,787,431	9,845,549	-6,425,000	11,207,980	
PUMPING STATIONS						
General Improvements	30,000	10,711	19,289	0	30,000	
Magflow Replacements	10,000	1,173	8,827	0	10,000	
Pump Stations Renewal/Refurbish/Upgrade	55,000	7,643	47,357	0	55,000	
Pump & Motor Maintenance / Replacements	80,000	0	80,000	0	80,000	
Pump Station Switchboards/Control Systems Replacement/Upgrade	85,000	567	84,433	0	85,000	
TOTAL PUMPING STATIONS	260,000	20,094	239,906	0	260,000	
RESERVOIRS						
General Improvements	21,000	1,645	19,355	0	21,000	
New/Replacement Reservoirs	1,482,651	266,428	1,216,223	0	1,482,651	
Reservoirs - Upgrade Ladders and Access	25,000	13,296	11,704	0	25,000	
Reservoir Hatches Magflows	48,000	72,232	-24,232	0	48,000	
TOTAL RESERVOIRS	1,576,651	353,601	1,223,050	0	1,576,651	
MAINS, SERVICES & METERS						
MAINS						
System Improvements	210,000	83,615	126,385	0	210,000	
Reticulation for Developers (including other extensions)	860,000	550,782	309,218	0	860,000	
Renew Reticulation Mains	1,139,000	907,806	231,194	360,000	1,499,000	Rock Upgrade & RIFL upgrade works for WWCC/BMD
Renew Trunk Mains	2,757,000	1,837,005	919,995	20,000	2,777,000	Add renewal of rail crossings
SUB-TOTAL MAINS	4,966,000	3,379,209	1,586,791	380,000	5,346,000	
SERVICES						

Description	Current Budget 2016/17	YTD Actual 2016/17	Budget Remaining	31/3/17 QBR	Revised Budget 2016/17	Comment
	\$	\$	\$	\$	\$	
Service Connections, new including Meters	550,000	280,751	269,249	0	550,000	
Renew Services	130,000	108,628	21,372	0	130,000	
SUB-TOTAL SERVICES	680,000	389,378	290,622	0	680,000	
METERS						
Water meters replacement	180,000	77,576	102,424	0	180,000	
Remote metering	300,000	23,054	276,946	-273,000	27,000	Defer remote metering project
Water Filling Stations Upgrade	25,000	2,190	22,810	0	25,000	
SUB-TOTAL METERS	505,000	102,821	402,179	-273,000	232,000	
TOTAL MAINS, SERVICES & METERS	6,151,000	3,871,408	2,279,592	107,000	6,258,000	
TOTALS	29,292,959	13,664,000	15,628,959	-7,818,000	21,474,959	

3. OPERATIONAL PLAN – PERFORMANCE TARGETS

RECOMMENDATION: That the report detailing progress as at 31 March 2017, achieved towards the various objectives set out in the 2016/2017 Operational Plan be noted and received.

In accordance with the provisions of Section 407 of the Local Government Act 1993, I report to Council on the progress achieved in the year for the various Key Performance Indicators set out in the 2016/2017 Operational Plan.

Services

Measure	Key Performance Indicator	Progress to 31 March 2017
Customer Satisfaction Rating	>4 (out of 5)	N/A – Annual Measure
Water Quality Satisfaction	>4 (out of 5)	N/A – Annual Measure

Asset Replacement

Measure	Key Performance Indicator	Progress to 31 March 2017
Projects completed from Capital Works Program	>85%	N/A – Annual Measure (Refer DoE Report for Progress)

Demand Management

Measure	Key Performance Indicator	Progress to 31 March 2017
Peak Day Demand (weekly average)	<65 ML	61.23 ML

WHS

Objectives	Key Performance Indicator	Progress to 31 March 2017	
Number of days lost through injury	< previous period	Dec Qtr. 30	Mar Qtr. 56
Percentage of sick leave hours to ordinary hours worked	<3.5%	2.51%	2.09%
Total hours worked compared to time lost through injury & illness	< previous period	.6009%	1.36%

Environmental Protection

Key Performance Indicator	Key Performance Indicator	Progress to 31 March 2017	
Power used per ML of water produced KWh	< same period last year	Mar Qtr 2016 945 KWh	Mar Qtr 2017 946 KWh
Power used per ML of water produced \$	< same period last year	\$155	\$162

Equal Employment Opportunity

Key Performance Indicator	Key Performance Indicator	Progress to 31 March 2017
Number of legitimate EEO complaints resolved	100%	Nil lodged
Percentage of staff returning from parental leave	100%	100%

Charges and Fees

Key Performance Indicator	Key Performance Indicator	Progress to 31 March 2017
Level of Water Charges overdue compared to water sales for previous 12 months	<5%	N/A – Annual Measure
Level of Sundry Debtor Accounts overdue compared to debtors raised for previous 12 months	<5%	N/A – Annual Measure

4. DRAFT DELIVERY PROGRAM 2017/18–2020/21 AND DRAFT OPERATIONAL PLAN 2017/18

RECOMMENDATION that in accordance to Sections 404 and 405 of the Local Government Act, 1993, the Draft Revised Delivery Program and Draft Operational Plan be placed on public exhibition and that it be on display at the Administrative Headquarters, Hammond Avenue Wagga Wagga.

The Draft Revised Delivery Program 2017/18 to 2020/21 and Draft Operational Plan that follow in this Report for the period 1st July 2017 to 30th June 2018 is submitted for Council's consideration.

A workshop to assist in the development of the budget was held on 22nd of February 2017. At this workshop Council looked at a number of options regarding pricing for 2017/18 and future years.

The consensus at the workshops was to increase the consumption charge by 2.5% for 2017/18 with annual increases being linked to CPI thereafter.

The consensus was also to maintain the access charge at the same level as that in 2016/17, i.e. \$40.00 per quarter for Residential Land, with annual increases in the access charge for the following years being linked to the Consumer Price Index.

The following operational plan and future projections have been drawn up on the basis of increasing tariffs and other fees and charges by 2.5% annum for 2017/2018.

- **Draft Delivery Program 2017/18 – 2020/21 and Draft Operational Plan 2017/18 – See separate document**

5. MINUTES AUDIT & RISK COMMITTEE MEETING 27 FEBRUARY 2017

RECOMMENDATION: That Council receive and note the Minutes of the Audit and Risk Committee Meeting held on 27 February 2017 and endorse the recommendations contained therein.

MINUTES of the MEETING of AUDIT & RISK COMMITTEE **held at 91 HAMMOND AVENUE, WAGGA WAGGA,** **on MONDAY, 27 FEBRUARY 2017 at 9.30 am**

PRESENT:

David Maxwell (Chairperson)
Michael Commins
Clr. Yvonne Braid

IN ATTENDANCE:

General Manager	Graeme Haley
Director of Engineering	Bede Spannagle
Corporate Strategy – WWCC	Christine Priest
Manager Corporate Services	Michele Curran

The meeting of the Audit and Risk Committee commenced at 9.30 am.

DECLARATIONS OF PECUNIARY INTEREST

Declaration by David Maxwell. Has an insignificant pecuniary interest in that he supplies Software, Handbooks and Training to Councils in New South Wales, but not RWCC.

Declaration by Michael Commins. He has a position at Commins Hendriks Solicitors. This firm undertakes conveyancing on behalf of Riverina Water County Council at times. Mr Commins does not participate in these matters, since he works out of the Junee office of the firm.

MINUTES OF PREVIOUS MEETING – 21ST NOVEMBER 2016

Recommendation:

On the motion of Clr Braid and Mr Commins that the minutes of the proceedings of the Audit and Risk Committee meetings held 21ST November 2016 be confirmed as true and accurate records.

CARRIED

INVESTMENT REPORTS

On the motion of Mr Commins and Clr Braid that the Audit and Risk Committee receive and note the reports.

CARRIED

QUARTERLY BUDGET REVIEW PERIOD 31ST DECEMBER 2016

Recommendation:

On the motion of Mr Commins and Clr Braid that the Quarterly Budget Review for the period ended 31st December 2016 be received and noted.

CARRIED

ARC ACTIONS REGISTER

Recommendation:

On the motion of Mr Maxwell and Clr Braid that the Audit and Risk Committee receive and note the report.

CARRIED

INTERNAL AUDIT PROGRESS REPORT

On the motion of Clr Braid and Mr Commins that the Audit and Risk Committee receive and note the Development Application Assessment Report and endorse the actions taken.

CARRIED

On the motion of Mr Commins and Clr Braid that the Audit and Risk Committee receive and note the Credit Card Report.

CARRIED

On the motion of Mr Commins and Clr Braid that the Audit and Risk Committee receive and note the Report into previous audits.

CARRIED

GENERAL MANAGER'S UPDATE ON CURRENT LITIGATION MATTERS (VERBAL REPORT ONLY)

On the motion of Mr Commins and Clr Braid that the General Manager's update on current litigation matters be noted.

CARRIED

LEAD ORGANISATIONAL CRITICAL ISSUES

On the motion of Clr Braid and Mr Commins that the Audit and Risk Committee receive and note the report.

CARRIED

INTERNAL AUDIT SERVICES

Recommendation:

On the motion of Mr Maxwell and Mr Commins that the Committee recommend to Council that Expressions of Interest be sought for Internal Audit Services.

CARRIED

GENERAL BUSINESS

Recommendation:

On the motion of Mr Maxwell and Clr. Braid that the Committee compliments relevant Council staff on the excellent results regarding Lost Injury Time and Work Health and Safety in 2015/2016.

CARRIED

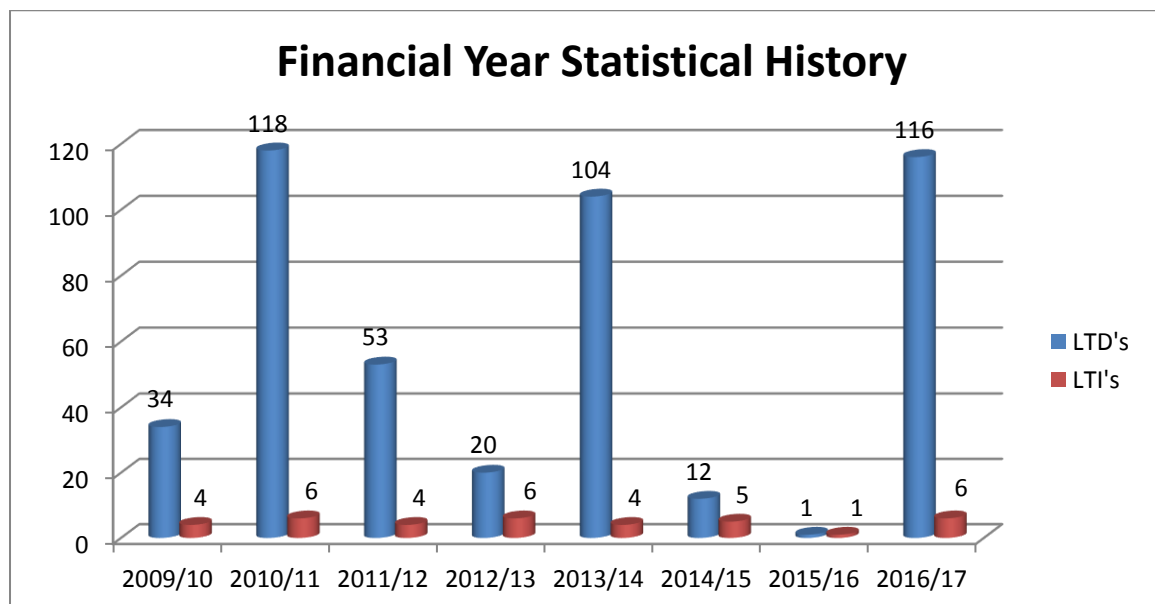
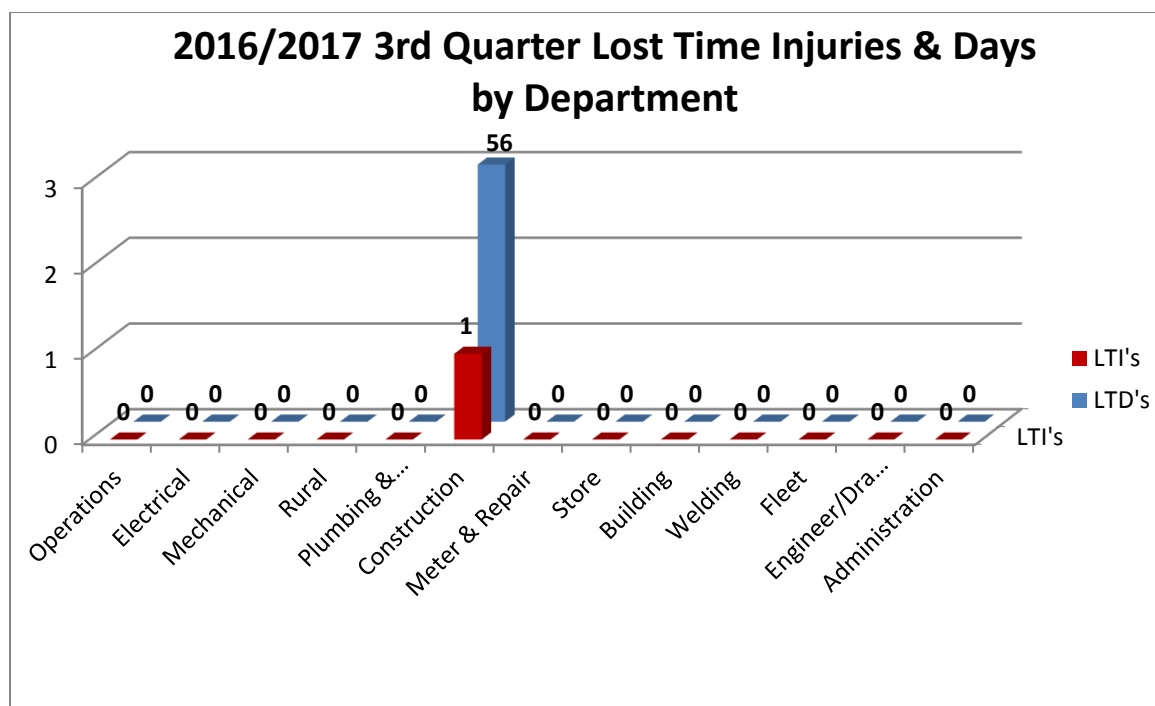
Next General Meeting: Monday 29th May 2017 at 9.30 am

Meeting Closed 11.40 am

6. LOST TIME INJURY STATISTICS

RECOMMENDATION that the quarterly statistics report on Lost Time Injuries for the 12 months ended March 2017 be received and noted.

QUARTER	LOST TIME INJURIES	LOST TIME DAYS
September 2016	5	30
December 2016	0	30
March 2017	1	56
June 2017	0	0
TOTAL YEAR TO DATE	6	116



7. LOCAL GOVERNMENT NEW SOUTH WALES - 2017 WATER MANAGEMENT CONFERENCE

RECOMMENDED that:

- a) Council be represented at the Local Government New South Wales 2017 Water Management Conference,
 - b) the Chairman or his nominee attend as a delegate,
 - c) nominations of other Councillors to attend be called, and
 - d) the General Manager and Director of Engineering or their nominees attend as observers
-

The Local Government New South Wales Water Management Committee has advised that the 2017 conference will be held at Dubbo on 4th to 6th September 2017, and hosted by Dubbo City Council. The Conference will explore the changing landscape of water management and its implications for local government.

The programme structure includes a number of key note speakers, the water managers' forum, a local field trip, workshops on current issues and trade displays of industry products and government agencies.

The conference is of benefit to Council as a way of keeping up with changes and networking with other councils.

The 2016 conference was held in Broken Hill with the Chairman attending as Council's delegate with Crs Verdon and McInerney, together with the General Manager and the Director of Engineering, attending as observers.

8. ANNUAL RESIDENTS SURVEY

RECOMMENDATION that the General Manager's report into the 2017 Riverina Water County Council residents survey been received and noted.

Riverina Water County Council, as part of its efforts to improve customer service, has undertaken a survey of residents of the county council area. This survey sought residents' attitudes and opinions as part of the continued improvement of the County Council's service delivery.

A total of 507 interviews were conducted with residents from the county area and had a 65% completion rate.

A copy of the executive summary from the survey is attached for the Council's information.

The survey showed that 16.1% of residents (14.5% in 2016) from the county area had made contact with Riverina Water staff within the last 12 months.

The most common form of contact was by telephone, with 15.4% (14.3% in 2016) of enquiries related to account enquiries.

The results show that 63.9% of residents had their matter addressed by Riverina Water staff on the same day (61.4% in 2016).

The vast majority of residents were satisfied with the customer service they receive from County Council staff, with high levels of satisfaction shown across all 9 service attributes surveyed.

The survey also indicated a relatively high level of awareness of Council's drought management program and its efforts to reduce water consumption.

A similar survey of customers will continue to be conducted on an annual basis, to enable the Council to compare the responses on a more accurate basis.

- **Annual Residents Survey – Executive Summary**

Executive summary

This report presents the results of the Riverina Water Resident's Survey, 2017. IRIS Research was commissioned by Council to conduct a comprehensive telephone-based survey among the area's residents. The survey sought a range of resident attitudes and opinions as input into the continual improvement of Riverina Water's delivery of services.

The 2017 survey was conducted on the IRIS Computer-Assisted Telephone Interviewing (CATI) system during February. A total of 507 interviews were conducted with residents from the Riverina Water Council area. To qualify for an interview, respondents had to have been a resident of the area for at least the last 6 months and aged 18 or older. The survey achieved a completion rate of 65%.

The main findings of the 2017 survey are summarised under the key report headings.

Contact with Riverina Water staff

Results showed that 16.1% of residents made contact with Riverina Water staff in the last 12 months. This is on par with the counts for 2015 and 2016 but lower than 20.6% recorded in the 2014 survey. There is no significant difference in the proportion of residents who have made contact with Council in the last 12 months between Wagga (16.3%) and rural residents (15.5%). Almost four in ten Wagga residents (37.7%) indicated that they had never made contact with a Riverina Water staff member, on par with the 2016 result of 39.8%. The proportion of rural residents that had never made contact was 24.7%, significantly lower than the 30% recorded in 2016 and the 41.2% reported in 2015.

The overwhelming majority of residents (79.0%) would prefer to make contact with a staff member via the telephone, equivalent to the 83.4% reported in 2016. The proportion that prefers to use email (9.8%) is up from the 6.5% that indicated email as a preference in 2016. Rural residents have indicated a

higher preference for email (12.6% to 9.2%) and have indicated that they have less preference for visiting the Riverina Water office (4.3% to 9.6%) than their Wagga counterparts.

Telephone enquiries were the main method by which contact was made at 65.2% and is unchanged from 2016 (63.7%). A significantly higher proportion (78.0%) of rural residents used the telephone for their last contact compared to Wagga residents (62.7%).

The proportion of residents who made contact with Council for an account enquiry (15.4%) is unchanged since 2016 (14.3%) and is significantly lower than the 2015 result of 33.7%. The proportion of residents reporting that the purpose of their last contact with Council was to pay an account (8.7%), is down considerably from the 20.1% reporting that in 2016, indicating that more residents may well be using electronic means to pay accounts. 37.0% of residents cited 'Some other reason' as the purpose of their contact, made up primarily of 'Service failure', 'Property access', 'New connection' and 'Meter issues'.

Same day response reported by residence (63.9%) is on par with the 2016 result (61.4%) but substantially lower than the 78.7% reported in 2015.

Results showed that rural residents were more likely to have their request attended to on the same day of their enquiry (74.4%) when compared to their Wagga counterparts (61.7%). This is a reversal of the 2016 findings.

Customer service

Residents, both rural and urban, have expressed 'High' level satisfaction with the service they received during their last interaction with staff at Riverina Water. All service attributes measured recorded satisfaction mean scores at or above 4.21 out of 5.

Performance ratings

All residents were asked to rate their level of satisfaction with the quality of the water service provided by Riverina Water. There has been no statistically significant change in resident's satisfaction with these attributes from the 2016 measure.

Wagga residents gave 'High' level mean satisfaction ratings to all six attributes measured with scores at or above 3.75 out of 5.00.

Rural residents gave two of the six attributes measured 'Medium' level satisfaction ratings with scores between 3.00 and 3.74.

Water resource management communication

All residents were asked to rate their agreement with 7 statements concerning water practices and knowledge.

Three of the statements achieved 'High' level agreement mean scores with scores of 3.75 and above. These were 'I normally drink water from the tap' (3.90), 'I am aware there is a permanent ban on sprinklers between 10am and 5pm' (3.83) and 'Riverina Water encourages me to conserve water' (3.80).

Of the seven Riverina Water statements put to residents, four of them attained lower agreement scores when compared to 2016. The areas that have dropped were 'Riverina Water encourages me to conserve water' (3.80 versus 3.99), 'I am aware that there is a permanent ban on sprinklers from 10am to 5pm' (3.83 versus 4.21), 'Riverina Water encourages me to conserve water' (3.80 versus 3.99) and 'I am aware there is a stepped tariff and the price of water increases after the first 125 kilolitres' (3.11 versus 3.37).

Rural residents were generally more strongly in agreement with the statements than their urban counterparts. Only 'I normally drink water from the tap' achieved a higher agreement score from Wagga residents than from their urban counterparts.

9. POLICY 4.3 WORK HEALTH & SAFETY

RECOMMENDATION that Riverina Water County Council adopt Policy 4.3 Work Health & Safety be received and noted

This policy, was last revised in April 2014.

The Policy has been reviewed as part of Council's general timetable of policy reviews.

There has been little change in the policy, with the exception of the layout and some slight change to wording.

An additional dot point to include participation and assistance in workplace rehabilitation programs has been included.

- **Policy 4.3 Work Health & Safety**

WORK HEALTH AND SAFETY POLICY

POLICY REFERENCE NUMBER:		P 4.3	
Original publication date		December 1997	
Revision number	Issue Date	Approved	Approval date
0	January 2012	Res: 12/11	22 February 2012
1	April 2014	Res: 14/39	23 April 2014
2	April 2017	Res: 17/xx	26 April 2017
<p style="text-align: center;">This document is to be reviewed every two years. Next review date: April 2019</p>			
RESPONSIBLE OFFICER		General Manager	

GOAL

Riverina Water County Council is committed to achieving a consistently high standard of workplace and community health and safety. Riverina Water will strive to acquire, sustain and continuously improve on a level of workplace health & safety which it considers the best practice for this organisation.

PLAN

Riverina Water has implemented a Health, Safety & Rehabilitation Management System to assist in the management of safety performance to achieve this goal, and to promote continuous improvement in workplace safety. In addition, it will serve to ensure Riverina Water meets, as a minimum, the obligations of this policy and the NSW Work Health and Safety (WHS) Legislation. Management will make every practicable effort in the areas of accident prevention, hazard identification, elimination or control of risks, health preservation, and provision of regular WHS training. All physical working environments are to be established & maintained in a healthy and safe condition. In addition Riverina Water will develop and implement a program for injury management and rehabilitation of injured employees.

Managers and supervisors will coordinate and communicate workplace health and safety policies and procedures to workers and the community. Management will consult with all workers to enable them to contribute to the making of decisions affecting their work health and safety. Riverina Water, through its officers (as per the legislative definition) will give high priority to safe work in organisational plans, procedures, programs and job instructions.

All workers will include safety as priority in all activities, will be committed to work health & safety, have a duty to act responsibly, and make every effort to prevent injury to themselves and others at the workplace. Riverina Water does not expect workers to conduct work, which they reasonably consider to be unsafe.

ACTIONS –

Riverina Water will:

- Provide regular and appropriate education and training;
- Provide the systems and framework for the management of workplace safety & rehabilitation of injured workers;
- Communicate/Consult and promote on work health and safety;
- Plan for WHS in Strategic and Operational Plans;
- Develop and communicate instructions and procedures;
- Monitor and review;
- Take corrective action;
- Provide adequate resources.

Managers and Supervisors will:

- Analyse and eliminate or control risks;
- Monitor safety in the workplace;
- Share information and consult with employees;
- Develop and review procedures;
- Consider health and safety during purchase, procurement and design;
- Ensure public safety during our work activities;
- Ensure all workers are aware of and comply with relevant safety procedures;
- Participate and assist in workplace rehabilitation programs.

All workers shall:

- Include safety as a design criterion;
- Include safety in standing instructions;
- Give first priority to safety in all activities;
- Follow procedures and other safety instructions;
- Participate in the development and review of safety procedures;
- Report any hazards/accidents/incidents/near misses;
- Participate in the development of corrective actions & risk elimination or control;
- Participate in raising the safety culture within the organisation;
- Actively participate in the ongoing development of the WHS program,
- Participate and assist in workplace rehabilitation programs.

Health & Safety Representatives (HSR's) / Committees (HSC) will:

- Provide an avenue for consultation with employees on WHS issues and risk elimination;
- Continually provide opportunities for staff to provide suggestions and feedback about health and safety;
- Be an advocate for greater safety awareness and staff participation in safety in the workplace.

10. POLICY 1.28 RELATED PARTY DISCLOSURE POLICY

RECOMMENDATION that the Policy 1.28 Related Party Disclosure Policy be adopted.

From 1 July 2016, AASB 124 Related Party Disclosures (AASB 124) became operative. This means Council must now disclose related party relationships, transactions and outstanding balances, including commitments in the Annual Financial Statements. Discussions have been had with the NSW Audit Office to ensure Council's proposed policy and disclosure guidelines facilitate compliance with AASB 124.

Background

From 1 July 2016, AASB 124 Related Party Disclosures will apply to local government. This means Council must disclose related party relationships, transactions and outstanding balances, including commitments in the Annual Financial Statements. While these disclosures have been long-standing in the private sector, they are a new requirement for the public sector.

Establishment of a policy to define the parameters for related party transactions and the level of disclosure and reporting required for Council is necessary to achieve compliance with AASB 124. The Related Party Disclosure Policy, including Key Management Personnel Notification, is attached.

What is a Related Party?

Parties are related where one can control or influence the other's financial and operating decisions. Council's related parties include Key Management Personnel (KMP) and entities that Council has control or significant influence over.

Council's KMP have been proposed to include the Councillors, General Manager and Director of Engineering. AASB124 also includes the close family members of each KMP and the entities that KMP or their close family members control or jointly control as related parties.

The proposed determination of KMP is based on interpretation of AASB124 that defines KMP as those persons that have the responsibility to plan, direct and control the activities of Council.

Information that needs to be collected from Council's KMP to comply with AASB 124

To comply with AASB 124, Council needs to collect information from its KMP to identify related party relationships and transactions. The proposed policy requires all KMP to annually provide a KMP Notification for any existing or potential related party transactions between Council and related parties.

Council's KMP are accustomed to making disclosures under various returns, however AASB124 also requires disclosure of material transactions in the financial statements. Information (including personal information) provided by a KMP in a notification form is classified as confidential and is not available for inspection or disclosure to the public, including a GIPA request. Where a material transaction has occurred, it will be disclosed in the financial statements, other transactions are able to be disclosed in aggregate, where appropriate.

What will be disclosed?

The standard requires disclosure of material transactions with related parties. A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Disclosure will include:

- Remuneration information for KMP. To be reported at an aggregate level for the following categories:
 - (i) short-term employee benefits (including non-monetary benefits);
 - (ii) post-employment benefits;
 - (iii) other long-term benefits, and
 - (iv) termination benefits.
- Transactions between Council and KMP or entities owned or controlled by KMP or their close family members, and
- Transactions with Council and other related entities such as Joint Ventures, Subsidiaries, etc.
- **Policy 1.28 Related Party Disclosure**

POLICY REGISTER

RELATED PARTY DISCLOSURES

POLICY REFERENCE NUMBER:		POL 1.28	
Original publication date		2017	
Revision number	Issue Date	Approved	Approval date
0	26 April 2017	Res: 17/xx	26 April 2017
This document is to be reviewed once every Council term. Next review date: April 2021			
RESPONSIBLE OFFICER		Manager Corporate Services	

PART 1: INTRODUCTION

1.1 Purpose

The purpose of this policy is to define the parameters for Related Party Transactions and the level of disclosure and reporting required for Riverina Water County Council (Council) to achieve compliance with *AASB124 - Australian Accounting Standard 124 Related Party Disclosures*. The Standard ensures that Council's financial statements contain disclosures necessary to draw attention to the possibility that its financial position and profit or loss may have been affected by the existence of related parties and transactions with them.

1.2 Scope of Policy

This policy shall apply to Related Parties of Council and Related Party Transactions.

1.3 Legislative Context

- Local Government Act 1993;
- Local Government (General) Regulation 2005;
- AASB124 Related Party Disclosures;
- Policy 1.15 Public Access to Information
- Policy 1.20 Privacy

1.4 Definitions

Refer to Attachment 6 of this policy.

PART 2: POLICY PROVISIONS

2.1 Policy Statement

Council will prepare and report related party disclosures in accordance with Australian Accounting Standard requirements. To do this, Council will implement a system to identify and capture related party transactions with related parties.

2.2 Related Party Relationships

Council will identify any entities and Key Management Personnel (KMP) that fall within the definition of a related party.

2.3 Related Party Transactions

Key Management Personnel must provide a KMP Notification form, notifying any existing or potential related party transactions between Council and either themselves, their close family members or entities controlled or jointly controlled by them or any of their close family members, to the Manager Corporate Services. Notification forms must be provided no later than 14 July each year, for the previous financial year.

The notification requirement above does not apply to:

- a) Related party transactions that are transactions in common with the general public, not assessed as being material (eg. Water Rates); and
- b) For Councillors, expenses incurred and facilities provided to a Councillor during the financial year, under Council's Councillor Expenses and Facilities Policy, the particulars of which are contained in Council's Annual Report.

2.4 Required Disclosures & Reporting

AASB124 provides that Council must disclose the following financial information in its financial statements for each financial year:

- a) *Disclosure of any related party relationship* – must disclose in the annual financial statements its relationship with any related parties or subsidiaries (where applicable), whether or not there have been transactions within the relevant reporting period.
- b) *KMP Compensation Disclosures* – must disclose in the annual financial statements KMP for each of the following categories of compensation in total:
 - a. Short-term employee benefits
 - b. Post-employment benefits
 - c. Other long-term benefits
 - d. Termination benefits

2.5 Related Party Transaction Disclosures

Council must disclose all material and significant Related Party Transactions in its annual financial statements. Disclosures shall include:

- 1. The nature of the related party relationship; and
- 2. Information about transactions and outstanding balances including:
 - a. The amount of the transactions;
 - b. The amount of outstanding balances, including commitments, and:
 - i. Their terms and conditions, including whether they are secured, and the nature of the consideration to be provided in settlement; and
 - ii. Details of any guarantees given or received;
 - c. Provisions for doubtful debts related to the amount of outstanding balances; and
 - d. The expense recognised during the period in respect of bad or doubtful debts due from related parties.

Related Party Transactions that are to be disclosed if they are of a material and significant nature include, but not limited to:

- a) Purchases or sales of goods;
- b) Purchases or sales of property and other assets;
- c) Rendering or receiving of services;

- d) Leases;
- e) Settlement of liabilities on behalf of Council or by Council on behalf of the related party;
- f) Quotations and/or tender; and
- g) Commitments.

The following matters must be considered in determining the materiality and significance of any related party transactions:

- a) Significance of transactions in terms of size;
- b) Whether the transaction was carried out on non-market terms;
- c) Whether the transaction is outside normal day-to-day business operations, such as purchase and sale of assets;
- d) Whether the transaction is disclosed to regulatory or supervisory authorities;
- e) Whether the transaction has been reported to senior management; and
- f) Whether the transaction was subject to Council approval.

Regard must also be given for transactions that are collectively, but not individually significant.

All transactions involving Related Parties will be captured and reviewed to determine materiality and significance.

2.6 Information Privacy

- Information (including personal information) provided by a KMP in a notification form is classified as confidential and is not available for inspection or disclosure to the public, including a GIPA request.
- A GIPA request for access to information about a KMP Notification will be refused on the grounds that the document or information comprises information the disclosure of which would, on balance, be contrary to the public interest.
- Except as specified in this policy, Council and other permitted recipients will not use or disclose personal information provided in a Notification by a KMP, for any other purpose or to any other person except with the prior written consent of the subject KMP.
- The following persons are permitted to access, use and disclose the information (including personal information) provided in a Notification:
 - KMP for information about themselves;
 - Officers of Council's Corporate Services Department responsible for maintaining related party information and preparing financial reports;
 - Members of Council's audit committee;
 - Auditors of Council.

ATTACHMENT 1

Related Party Factsheet

1. Why we are doing this?

The Australian Accounting Standards Board extended the scope of Australian Accounting Standard AASB 124 *Related Party Disclosures* (AASB 124) to include not-for-profit public sector entities.

All public sector entities will be required to disclose related party transactions and outstanding balances in their annual financial statements, in the same way as for-profit public sector and private sector entities. For not-for-profit public sector entities, these requirements apply from the annual financial reporting period beginning 1 July 2016.

This will mean that every NSW public sector entity will need to disclose, in their annual financial statements, 'material' transactions and balances outstanding with:

- Key Management Personnel (KMP)
- Close family members of KMP, and
- Entities controlled/jointly controlled by KMP or their close family members

The notification form has been developed to enable compliance with AASB 124 disclosure requirements.

2. What information will be collected?

This notification requires each KMP to:

- Provide details of relationships with close family members, and entities controlled/jointly controlled by yourself and/or your close family members; and
- Answer questions aimed at:
 - a. Understanding the types of transactions:
 - Each KMP and/or
 - Close family members of the KMP and/or
 - Entities controlled/jointly controlled by the KMP or close family members may have entered into with Riverina Water County Council during the year.
 - b. Identify outstanding balances at year end involving Riverina Water County Council and the KMP/their close family member/controlled or jointly controlled entities.

You will not be required to provide information about transactions that are 'in common with the general public'. This includes Water Rates on properties you own, that are not material.

If you have answered 'yes' to any of the questions in Attachment 3, you will need to provide further details about each transaction.

This notification will require you to declare that the information provided is accurate and complete to the best of your knowledge. It will also require you to ask your close family members about their activities with Riverina Water County Council.

Where you have disclosed information in the notification relating to a family member, he/she will need to consent to the provision of information. To demonstrate their consent, each family member mentioned in the notification will need to complete and sign the consent form at Attachment 5. The form should be returned along with the rest of the notification.

3. Notification process

Any person who was a KMP at any time between 1 July and 30 June each year is to complete and return the notification form by 14 July for the previous financial year.

The notification should be returned to the Manager Corporate Services at the Administration Building, 91 Hammond Ave, Wagga Wagga.

4. How the information provided is used

Not all information provided in the certificate will be disclosed in the financial statements. This is because the accounting standards require entities to disclose only 'material' related party transaction and outstanding balances. Materiality is subject to professional judgement and goes beyond the dollar value of the transactions/balance.

Further information provided might be incorporated into disclosures that aggregate a number of transactions, rather than disclosed separately.

The notification requests disclosure of all known transactions with Riverina Water County Council during the period covered by the notification. If you are unsure whether a close family member or a controlled/jointly controlled entity has had transactions with Riverina Water County Council, *we strongly recommend* you include their details in the notification for completeness.

Due to the sensitive nature of collected information, a secure process will be in place to:

- Review, assess and filter the information provided; and
- Maintain confidentiality of the information

ATTACHMENT 2

KMP – Notification for 1 July 20__ to 30 June 20__

1. Close Family Members

Please provide details of all your close family members. Please refer to Attachment 6 - Definitions for clarification.

[illegible]

2. Entities controlled/jointly controlled by yourself and/or your close family members

Please provide details of all entities controlled/jointly controlled by either yourself or your close family members. Please refer to Attachment 6 - Definitions for clarification.

[illegible]

ATTACHMENT 3

KMP – Notification for 1 July 20__ to 30 June 20__

Please complete the following table to the best of your knowledge. If you are unsure whether a close family member or a controlled/jointly controlled entity had transactions with Riverina Water County Council, *we strongly recommend* you include their details for completeness. If you answer 'yes' to any of these questions, please complete Attachment 4. For clarification of definitions, please refer to Attachment 6 - Definitions.

	QUESTION	QUESTION RESPONSE		KMP SIGN-OFF
		Yes	No	
	During the stated period, in respect of Riverina Water:			
1	Were any of your close family members employed in a senior position?			
2	Did you/a close family member/any entity controlled/jointly controlled by you and/or a close family member have any transaction or arrangement on terms or conditions that were more favourable than those entered into at an arm's length?			
3	Did you/a close family member/an entity controlled or jointly controlled by you and/or close family member receive any grants, subsidies, ex-gratia payments or loans?			
4	Did you/a close family member/an entity controlled or jointly controlled by you and/or a close family member have any debts forgiven or partially forgiven?			
5	Did you/a close family member/an entity controlled or jointly controlled by you/or a close family member provide or receive any collateral, guarantee indemnity or commitment?			
6	Did you/a close family member/an entity controlled or jointly controlled by you and/or a close family member enter into any contractual arrangements to purchase, sell, lease or transfer assets and licenses; or to provide, purchase or transfer goods and services with a total contract value greater than \$10,000 (ex GST)?			
7	Are there any outstanding balances above \$10,000 (ex GST) brought forward from a transaction or arrangement entered into prior to 1 July 2016, between you/a close family member/any entity controlled/jointly controlled by you and/or a close family member and Riverina Water County Council?			

ATTACHMENT 4

Transactions for 1 July 20__ to 30 June 20__

Please complete the table below for each individual transaction that has, or may have, occurred during the stated period; and outstanding balances brought forward from previous financial years that are still outstanding. If you are unsure of the transaction *we strongly recommend* that you include them in the table for completeness. Where you are unsure please state that you are unsure. If additional space is required, please insert additional pages.

	Transaction 1	Transaction 2	Transaction 3
Type of transaction <i>Please provide details and nature of the transaction. Example of types of transactions:</i> <ul style="list-style-type: none">• Employment• Provision of goods or services• Purchase, sale or transfer of property, other assets or licenses• Leasing arrangement• Provision of guarantee or collateral• Settlement of liabilities• Outstanding balance brought forward from previous financial year			
Is the transaction/outstanding balance directly between you and Riverina Water County Council? Yes / No			
If not, please provide details of the related party, their relationship with you, and Riverina Water County Council involved <i>Please include person's name / entity name and ABN, relationship with person / entity</i>			
Transaction Amount for the Financial Year (ex GST)			
Total Agreed / Contracted Amount (if extends beyond financial year) (ex GST)			
Terms and Conditions of the Transaction <i>Please provide details of the significant terms and conditions including whether it is secured, and the nature of the consideration to be provided in settlement</i>			

ATTACHMENT 5

KMP DECLARATION

KMP SIGN-OFF AND DECLARATION: I have made inquiries of my close family members and to the best of my knowledge, the information provided in this Notification is complete and accurate for the period 1 July 20___ to 30 June 20___. I understand this information is collected for the purpose of preparing note disclosures for inclusion in the financial statements of Riverina Water County Council.

Signed: _____

Name: _____

Title: _____

Date: _____

CLOSE FAMILY MEMBERS – CONSENT FORM

*(to be completed by each family member whose information is disclosed in this questionnaire.
If additional copies of the form are required, please make copies for each close family member)*

I authorise Riverina Water County Council to provide personal information about me in respect of transactions between me, or entities controlled / jointly controlled by me, and Riverina Water County Council.

For the purposes of s26(2) of the Privacy and Personal Information Protection Act 1998, I hereby consent to Riverina Water County Council collecting, using and disclosing my personal information for the purpose of meeting its financial reporting obligations.

Signed: _____

Name: _____

Date: _____

ATTACHMENT 6

Definitions¹

Definition
AASB 124 Australian Accounting Standard 124 Related Party Disclosures
<p>Close members of the family of a person are those family members who may be expected to influence, or be influenced by, your dealings with Riverina Water County Council, including:</p> <ol style="list-style-type: none">your children and spouse or domestic partnerchildren of your spouse or domestic partnerdependants of yourself or your spouse or domestic partner.
<p>Compensation includes all employee benefits (as defined in AASB 119 'Employee Benefits'). Employee benefits are all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity. Compensation includes:</p> <ol style="list-style-type: none">short-term employee benefits, such as wages, salaries and social security contributions, paid annual leave and paid sick leave, profit-sharing and bonuses (if payable within twelve months of the end of the reporting period) and non-monetary benefits (such as medical care, housing, cars and free or subsidised goods or services) for current employeespost-employment benefits such as pensions, other retirement benefits, post-employment life insurance and post-employment medical careother long-term employee benefits, including long-service leave or sabbatical leave, jubilee or other long-service benefits, long-term disability benefits and, if they are not payable wholly within twelve months after the end of the reporting period, profit-sharing, bonuses and deferred compensationtermination benefits <p>The terms 'compensation' used in AASB 124 and 'remuneration' used in the <i>Corporations Act 2001</i> are interchangeable.</p>
<p>Control is defined by AASB 10 as the exposure, right or ability to affect variable returns through the exercise of power.</p>
<p>Director means:</p> <ol style="list-style-type: none">a person who is a director under the Corporations Actin the case of entities governed by bodies not called a board of directors, a person who, regardless of the name that is given to the position, is appointed to the position of member of the governing body, council, commission or authority.
<p>Entity is controlled or jointly controlled typically when you and/or any close family members exercise effective control (whether singularly or combined) through the shareholding and/or voting power in the entity. Examples of entities controlled or jointly controlled by you and/or any close family members could be:</p> <ul style="list-style-type: none">• A company where you and/or close family members control more than 50% of the voting power• A company where you have a 30% shareholding and your spouse has a 30% shareholding• A company where you have a 40% shareholding and the remaining shareholding is widely dispersed• A partnership of two people where your spouse is one of the partners• A superannuation fund self-managed by you or your spouse (including through a corporate trustee) <p>Examples of entities not controlled or jointly controlled by you and/or any close family members could be:</p>

¹ These definitions are taken from AASB 124 effective for reporting periods starting on or after 1 July 2016.

Definition

- A company where you have a 25% shareholding and your spouse has a % shareholding
- A partnership of three people where your spouse is one of the partners
- A large consultancy practice with multiple partners where your son is a partner
- Blind trusts

Key management personnel (KMP) person(s) having authority and responsibility for planning, directing and controlling the activities of Council, directly or indirectly. Specifically, KMP of Council includes the Chairperson, Councillors, the General Manager and Director of Engineering. Other persons may be considered KMP of Council if they meet the definition requirements. Persons acting in a KMP position will not be considered KMP unless they meet the definition requirements or are acting for a period of more than five consecutive weeks.

Materiality means the assessment of whether the transaction, either individually or in aggregate with other transactions, by omitting it or misstating it could influence decisions that users make on the basis of an entity's financial statements. For the purpose of this policy, Council will utilise \$10,000 as the threshold for materiality.

Related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. Following are examples of transactions that must be disclosed if they are with a related party:

- a) purchases or sales of goods (finished or unfinished)
- b) purchases or sales of property and other assets
- c) rendering or receiving of services
- d) leases
- e) transfers of research and development
- f) transfers under licence agreements
- g) transfers under finance arrangements (including loans and equity contributions in cash or in kind)
- h) provision of guarantees or collateral
- i) commitments to do something if a particular event occurs or does not occur in the future
- j) settlement of liabilities on behalf of the entity or by the entity on behalf of that related party.

Related party a person or entity that is related to the entity that is preparing its financial statements ('reporting entity').

- a) A person or a close member of that person's family is related to a reporting entity if that person:
 - i) has control or joint control over the reporting entity
 - ii) has significant influence over the reporting entity
 - iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
- b) An entity is related to a reporting entity if any of the following conditions applies:
 - i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others)
 - ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member)
 - iii) both entities are joint ventures of the same third party
 - iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity
 - v) the entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity. If the reporting entity is itself such a plan, the sponsoring employers are also related to the reporting entity

Definition

- vi) the entity is controlled or jointly controlled by a person identified in a)
- vii) a person identified in a) i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
- viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Senior position is any person employed (permanent or temporary) as a 'General Manager or Other Senior Staff' under the *Local Government Act 1993* (or equivalent legislation) anytime during the financial year.

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

Transactions in common with the general public are excluded from this notification. These transactions are where you and/or close family members interact with Riverina Water County Council under the same terms and conditions as a public citizen in respect of transactions in the normal course of Riverina Water County Council delivering its normal public service objectives. Examples of transactions common to the general public include non-material Water Rates on properties you own.

11.REQUEST FOR CHANGE IN TARIFF – ORIGIN ENERGY URANQUINTY POWER STATION

RECOMMENDATION that Riverina Water County Council change the tariff applicable to Origin Energy's Uranquinty Power Station from Commercial to Industrial, conditional on the site consuming the minimum 3,000KL per month required by the Industrial tariff over the next 12 month period.

Origin Energy has submitted a request to Council to change the tariff applicable to the Uranquinty Power Station site from Commercial to Industrial. A copy of the request is attached for Council's reference.

Origin Energy's site coordinator anticipates that usage for this site will likely be higher than past usage due to changes in their supply network.

An Industrial tariff requires that a customer uses a minimum of 3,000KL per month. The Industrial tariff is charged at a flat rate rather than a stepped tariff for usage over 125KL per quarter. The site would also be billed on a monthly billing cycle instead of quarterly if changed to Industrial. At present, the Uranquinty Power Station site is averaging this required minimum usage.

- **Origin Energy Report**



5 April 2017

Graeme Haley
General Manager
Riverina Water
91 Hammond Avenue
Post Office Box 456
Wagga Wagga NSW 2650

Dear Graeme,

**Re: Tariff Change - Water Account No. 41575 - 280 Uranquinty Cross Road,
Wagga to The Rock**

We request that our account number 41575 be transferred from the Commercial tariff arrangement we have operated under for the last 9 years to an Industrial tariff agreement. Under an industrial tariff agreement we would pay a flat rate of \$1.40 per kilolitre as per your published water charges instead of the commercial rate of \$2.10 for the bulk of our water.

Our monthly consumption may seem inconsistent especially with regard to the requirement to have the individual monthly consumption between 0.75 and 1.25 times the average monthly consumption based on the previous 12 Month rolling average. This inconsistency is due in part to the variations between the electronic metering system and manual reading of the meter. The latest example of this is the last account notice showed water usage of 168kl and after requesting a manual reading a revised notice was issued showing 20213kl used. That being said our usage will always be higher during the warmer periods of mid Spring to mid Autumn.

Given the above, we hope our request to transfer from a commercial tariff to an industrial rate will be considered favourably.

If you have any questions please don't hesitate to contact me on 02 6927 0102.

Yours sincerely

Johan van Asperen
Site Support Coordinator

Origin
Uranquinty Power Station

280 Uranquinty Cross Roads, URANQUINTY NSW 2652
t 02 6927 0102
e johan.vanasperen@originenergy.com.au

12. INVESTIGATION INTO THE INCORPORATION OF GHSC WATER FUNCTION INTO RWCC

RECOMMENDATION: That Council endorse the commitment to further investigate the option of incorporating all or part of GHSC's water operations into RWCC's operations, with the cooperation of GHSC.

Background

Greater Hume Shire Council (GHSC) has formally approached Riverina Water County Council (RWCC) regarding the investigation of options for their Councils villages potable water scheme and the Culcairn town water scheme being incorporated into RWCC's operations. See letter attached.

Issues

The GHSC General Manager and Director Engineering met with RWCC staff to discuss the viability of the proposal. Both the options of the villages scheme and the township of Culcairn were discussed.

As a stand alone proposal, the villages water scheme would be difficult to justify, however, with the whole of the GHSC water function included in the investigations (primarily the Culcairn township), the proposal may have some merit.

An in-principle agreement was reached between the two parties that the proposal warranted further investigation, and a working group consisting of GHSC and RWCC technical staff has been established to investigate, collect and analyse the necessary information.

The remainder of the discussion focused on the scope of the proposal and issues that would require further investigation. RWCC needs to have a full understanding of both water reticulation systems, the expected levels of service, the current condition and renewal requirements of existing assets.

Phase 1 of the project entails an information gathering exercise to enable a clear picture of the system and issue that will need to be considered. The following information has been requested from GHSC:

1. Allocation and construction details of Culcairn Bores:
 - WAL Reference and quantities
 - Works Approval Number
 - Maximum bore yield extraction rates (l/s)
 - Maximum pump extraction rates (l/s)
2. Any historical supply agreement or information regarding with Albury City Council (ACC) regarding supply into Village Scheme, including
 - ACC supply agreement for quantity and quality of bulk water
3. ACC water charges and bulk rates to GHSC
4. GHSC historical and current water charges and rates

5. Historical and current water charges and rates for ACC's Table Top customers (for comparison)
6. Village and rural historical meter data (bulk meters and customer meters)
7. GIS connection data (to enable hydraulic analysis given the NSW PWs hydraulic grade lines are outdated)
8. Asset register data for Village Scheme and Culcairn Scheme
 - Current Asset Values
 - Residual Values and asset life
 - Asset Replacement Programme
 - Asset performance (number and locations of mains bursts/repairs, service connection repairs/replacements)
9. Population projections for each village, historical new connection numbers per year and locations
10. Historical and current water supply Operational costs for Village scheme and Culcairn (depreciation, electricity costs, labour, etc)
11. Peak Day's Demand:
 - Culcairn ML/Day
 - Village Scheme ML/Day TOTAL
 - § Per sub system
12. Annual Usage:
 - Culcairn ML/year
 - Village Scheme (already obtained)
13. Current Water Supply staffing resources and duties

Financial considerations

This preliminary investigation work can be undertaken within existing operating budgets.

- **GHSC Letter**



Greater Hume Shire

simply greater

Our Ref: SJP

Graeme Haley
General Manager
Riverina Water County Council
P.O. Box 456
Wagga Wagga NSW 2650

Greater Hume Shire
ABN 44 970 341 154
39 Young Street (PO Box 99)
Holbrook NSW 2644
P: 02 6036 0100 or 1300 653 538
F: 02 6036 2683

Culcairn Office
40 Balfour Street Culcairn NSW 2660
P: 02 6029 8588 F: 02 6029 8607

Customer Service Centres
Henty RTC/Library
32 Staden Street, Henty NSW 2658
Jindera
Shops 8 & 9 Jindera Plaza
Jindera NSW 2642
Walla Walla RTC/WAW Credit Union
Commercial Street,
Walla Walla NSW 2659

E: mail@greaterhume.nsw.gov.au
www.greaterhume.nsw.gov.au

Dear Graeme

RESOLUTION FROM COUNCIL'S MARCH COUNCIL MEETING

At the March meeting of Greater Hume Shire Council the following was resolved on a 'Matter of Urgency' motion.

'That Management be authorised to commence discussions with Riverina Water with the view of Riverina Water investigating the feasibility of taking control of the supply and operation of the Villages Water Supply.'

As you are aware this issue has been informally discussed previously, however as there is now a formal resolution it would be appropriate for Management of Greater Hume Shire and Riverina Water to meet to develop a plan to investigate the proposal.

I will be in contact shortly to arrange a suitable time for an initial planning meeting.

Yours faithfully

Steven Pinnuck
General Manager
GREATER HUME SHIRE COUNCIL

27 March 2017

**MINUTES OF THE ORDINARY MEETING OF GREATER HUME SHIRE COUNCIL
HELD AT BURRUMBUTTOCK HALL,
URANA STREET, BURRUMBUTTOCK
ON WEDNESDAY, 15 MARCH 2017**

4646 RESOLVED [Meyer/Hicks]

And ruled by the Chair that the request by Cr Quinn that the matter of RIVERINA WATER TO INVESTIGATE THE FEASIBILITY OF TAKING CONTROL OF THE SUPPLY AND OPERATION OF VILLAGES WATER SUPPLY SCHEME be considered at this time.

2. RIVERINA WATER TO INVESTIGATE THE FEASIBILITY OF TAKING CONTROL OF THE SUPPLY AND OPERATION OF VILLAGES WATER SUPPLY SCHEME

4647 RESOLVED [Quinn/Meyer]

That Management be authorised to commence discussions with Riverina Water with the view of Riverina Water investigating the feasibility of taking control of the supply and operation of the Villages Water Supply.

QUESTIONS ON NOTICE

1. REQUEST TO INVESTIGATE REFORMATTING OF COUNCIL'S ANNUAL RATES NOTICE TO ALLOW FOR GENERAL RATES AND OTHER CHARGES TO BE ON A SEPARATE NOTICE FROM WATER AND SEWERAGE CHARGES

Cr Hicks requested that staff investigate the matter.

2. STARLING BIRDS IN BALFOUR STREET, CULCAIRN

Cr Weston queried progress in the matter. Director Engineering advised that he is still awaiting a specialist to undertake an investigative report.

3. FINANCIAL TRAINING WORKSHOP HELD IN ALBURY

Cr Meyer indicated that he and the Mayor, Cr Wilton, attended a financial training workshop last week. Cr Meyer asked that staff investigate a financial dashboard to provide a concise snapshot summary for councillors' information.

4. PRIORITISING PIONEER DRIVE AND URANA STREET PROJECT

Cr O'Neill requested that funding opportunities be investigated to enable the Pioneer Drive and Urana Street projects to commence as soon as possible.

13.CORRECTION OF TOTAL REMUNERATION PACKAGE GENERAL MANAGER

RECOMMENDED that the Council consider the Chairperson's Report "Correction Of Total Remuneration Package General Manager" whilst the meeting is closed to the public as it relating to personnel matters about an individual, as prescribed by Section 10A(2)(a) of the Local Government Act 1993.

14.TENDER W192 FOR THE CONSTRUCTION OF 5ML RESERVOIR AT DUNNS ROAD, WAGGA WAGGA

RECOMMENDATION: That Council consider the report "Tender W192 for the Construction of 5ML Reservoir at Dunns Road, Wagga Wagga", whilst the meeting is closed to the public, as it relates to commercial information the disclosure of which would prejudice the commercial position of the person who supplied it, as prescribed by Section 10A(2)(c) of the Local Government Act 1993.

15. COUNCIL RESOLUTION SHEET

Council Resolution Sheet – Meeting held 2/09/2015				
Report Ref	Subject	Responsible Officer	Council Decision	Action Taken
Meeting held 12 December 2014				
14/190	Purchase of Land for Alternative Access to Hammond Ave	GM	That Council: 1) Purchase land for operational and access requirements in accordance with Section 187 of the Local Government Act 1993. 2) Delegate authority to the General Manager to negotiate the land purchase and sign the relevant sale documents. 3) Affix Council's Common Seal to documentation as required.	Negotiations continuing. Business Valuation completed. Additional investigations underway.
Meeting held 28 October 2015				
15/170	Land and Environment Court – Nash Bros Case	GM	That Council authorise the General Manager to negotiate a settlement to recover legal costs from Nash Bros Builders Pty Ltd in relation to the Grange Retirement Village Land & Environment Court case.	Settlement amount and payment plan agreed and commenced. Council has received the first payment.
Meeting held 24 August 2016				
16/123	Extension of Term of Appointment for Community Members of Audit and Risk Committee	GM	That Council extend the term of the two community members of the Audit and Risk Committee until March 2017.	Matter finalised, two new community members are David Maxwell and Bryce McNair.
Meeting held 26 October 2016				
16/208	Replacement of Low Level Reservoir Land Matters	DoE	That Council: 1) Purchase the land on Lot 22 DP 835331 for the replacement of Low Level reservoir (10MG) at Willans Hill. The area to acquire is approximately 11,250m ² . Compensation estimated by OPTEON property group \$130,000.00 ex GST. 2) Lease the land on Lot 22 DP 835331 (adjacent to proposed acquisition area) for Low Level reservoir (10MG) replacement earthworks (for	Proceeding with Council Resolution. Legal process ongoing.

			material storage) at Willans Hill. Lease on Approximate area of 9600m2 for 2 years. Lease amount per year estimated by OPTEON property group \$14,400.00 ex GST. 3) Delegate authority to the General Manager to negotiate the land purchase, lease, establishment of easements for the pipeline and access. 4) Affix Council's Common Seal to documents as required.	
Meeting held 9 December 2016				
16/227	Application For Annual Leave – General Manager	GM	That annual leave be approved for the period requested by the General Manager and that the Director of Engineering, Mr. Bede Spannagle, be appointed as Acting General Manager during this time.	Noted & approved

QUESTION TRACKING

16/233 Cr Keenan	Recent contamination fears at RAAF Base, Wagga Wagga.	Letter drop made to Forest Hill consumers following school holidays. Director Engineering attended recent community consultation meetings with no concerns raised regarding drinking water.
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Bede Spannagle
ACTING GENERAL MANAGER

DIRECTOR OF ENGINEERING'S REPORTS TO COUNCIL MEETING

1. WORKS REPORT COVERING FEBRUARY 2017

RECOMMENDATION That this report be received and noted.

- February Works Report 2017

DIRECTOR OF ENGINEERING'S REPORTS TO APRIL 2017 COUNCIL MEETING

15th March 2017

1 WORKS REPORT COVERING FEBRUARY 2017

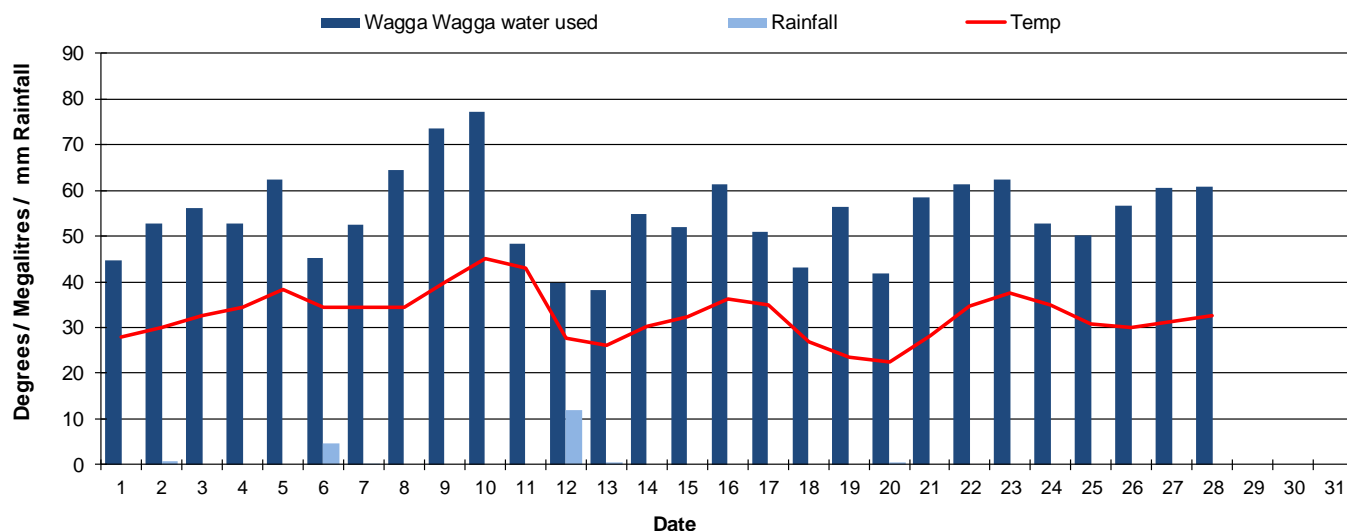
RECOMMENDATION: That this report be received and noted.

1.1 WATER SOURCED AND USED

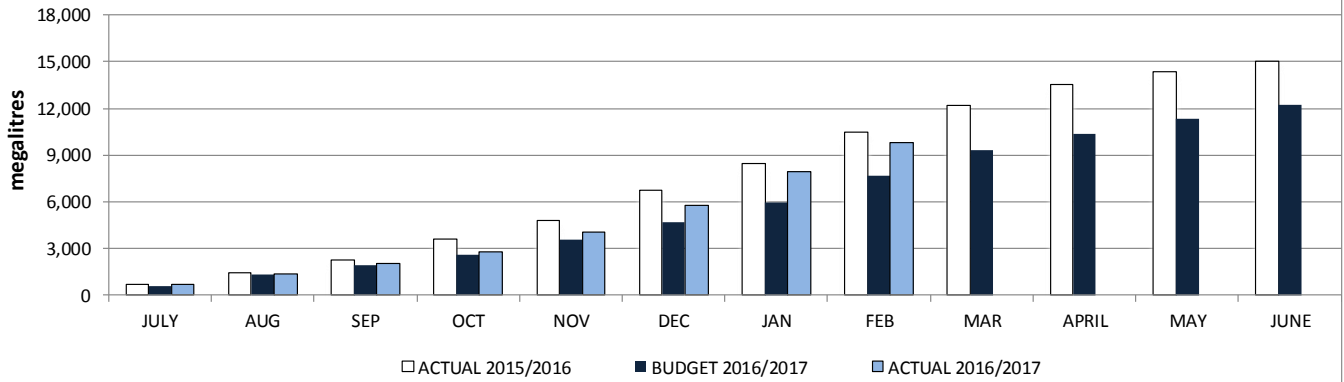
February	2015	2016	2017
Rainfall	12.4	0.0	18.6
Wet Days	3	0	6
WATER SOURCED February 2017 (MI)			
North Wagga bores	253.17	272.33	280.39
West Wagga bores	603.52	491.86	672.81
East Wagga bores	270.43	450.37	367.62
Murrumbidgee River	405.61	445.53	347.83
SUB-TOTAL	1,532.73	1,660.09	1,668.65
Bulgary Bores	51.13	58.56	52.22
Urana Source	9.46	8.40	10.74
Ralvona Bores	57.21	27.20	32.15
Walla Walla Bores	34.35	33.48	41.33
Goldenfields Water Supply System	3.50	4.11	6.41
SUB-TOTAL	155.65	131.75	142.85
Woomargama	1.39	2.09	2.18
Humula	1.05	0.96	0.81
Tarcutta	4.38	5.04	5.31
Oura	4.42	5.62	5.43
Walbundrie/Rand	4.11	3.91	4.44
Morundah	1.13	1.39	1.82
Collingullie	7.94	7.97	9.25
SUB-TOTAL	24.42	26.98	29.24
TOTALS	1,712.80	1,818.82	1,840.74

WATER USED February 2017 (MI)			
	2015	2016	2017
East Bomen	27.11	32.17	42.45
Estella	84.65	103.30	120.13
North Wagga	103.67	88.92	70.20
Wagga Wagga – Low Level	199.98	217.05	209.88
Wagga Wagga – High Level	815.63	882.80	876.95
Wagga Wagga – Bellevue Level	101.24	125.36	127.70
SUB-TOTAL	1,332.28	1,449.60	1,447.31
Ladysmith System	7.96	8.23	8.26
Brucedale Scheme	26.00	33.80	38.17
Currawarna Scheme	17.10	21.86	19.77
Rural south from Wagga Wagga	144.60	152.34	155.67
Rural from Walla Walla Bore	34.35	33.48	41.33
Bulgary, Lockhart and Boree Creek	33.38	48.24	33.56
From Boree Crk to Urana and Oaklands	27.45	27.24	30.09
Holbrook	57.21	27.20	32.15
SUB-TOTAL	348.05	352.39	359.00
Woomargama	1.39	2.09	2.18
Humula	1.05	0.96	0.81
Tarcutta	4.38	5.04	5.31
Oura	4.42	5.62	5.43
Walbundrie/Rand	4.11	3.91	4.44
Morundah	1.13	1.39	1.82
Collingullie	7.94	7.97	9.25
SUB-TOTAL	24.42	26.98	29.24
TOTALS	1,704.75	1,828.97	1,835.55

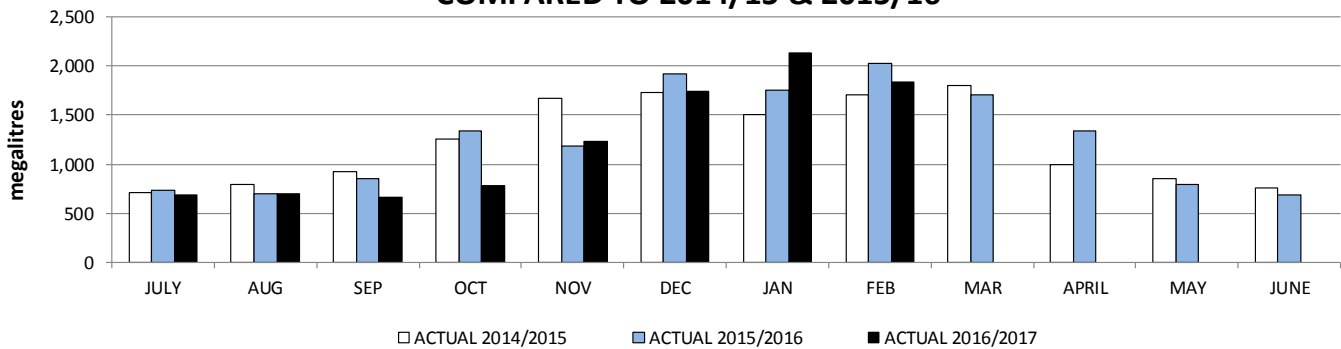
DAILY WATER USED, WAGGA WAGGA, February 2017



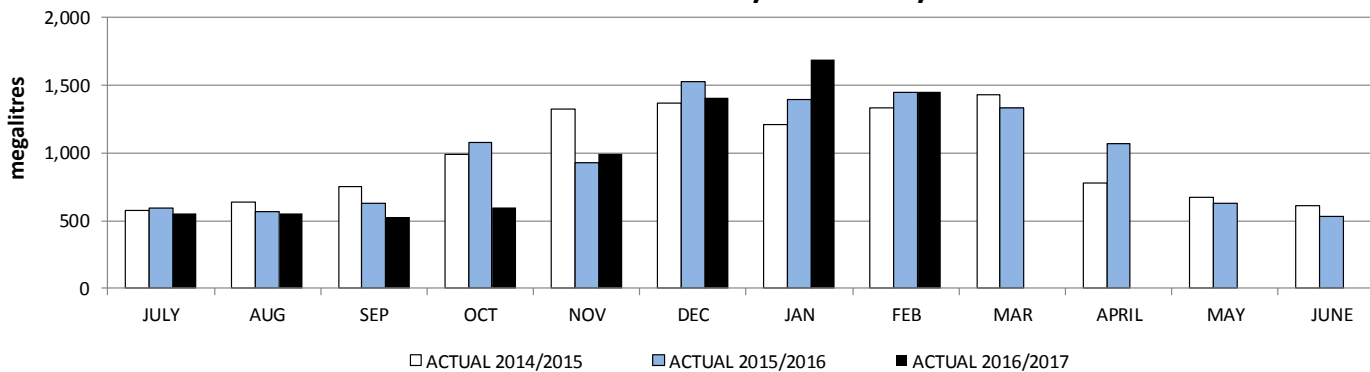
TOTAL CUMULATIVE WATER USED 2016/2017



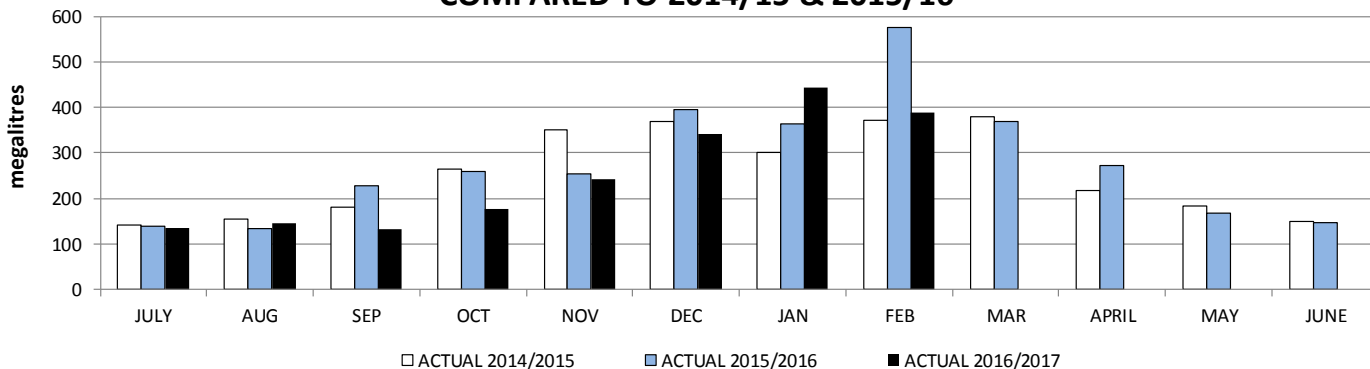
MONTHLY TOTAL WATER USED 2016/17 COMPARED TO 2014/15 & 2015/16



MONTHLY WAGGA WATER USED 2016/17 COMPARED TO 2014/15 & 2015/16



MONTHLY RURAL WATER USED 2016/17 COMPARED TO 2014/15 & 2015/16



1.2 NEW SERVICE CONNECTIONS, REPAIRS, METERS, LOCATIONS & COMPLAINTS FOR THE MONTH OF FEBRUARY 2017

Location	New Connect., Residential	New connect., Non Residential	Services Renewed	Services Repaired	Quality Complaints	Supply Complaints *	Customer dealings complaints	Other Complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Wagga	10	2	4	30	15	10				42	5	7
Brucedale												
Currawarna												
Euberta												
Humula												
Ladysmith				2						1		
Oura				3								
San Isidore												
Tarcutta				2		2				2		
The Gap						1						
Bulgary												
Collingullie	1			1						1		
French Park												
Lockhart				1								
Mangoplah						1				2		
Milbrulong				1								
Pleasant Hills										2	1	
The Rock	1		1	2	1							
Uranquinty	1											
Yerong Creek												
Culcairn												
Henty	3		1	1							1	
Holbrook	1	1		1						2		
Morven			1	1								
Walbundrie										1		
Walla Walla				1	1					1		
Woomargama				1								
Boree Creek												
Morundah												
Oaklands											1	
Rand												
Urana												
TOTAL	17	3	7	47	17	14	0	0	0	54	8	7

1.3 WATER SYSTEM REPAIRS

WAGGA WAGGA								
Date	Location	Town	Main Type	Cause	Live Repair	Outage Duration Time	Customers Affected (no supply)	Water Lost Kl
6	Main Street Shop	Lake Albert	100 AC	Pipe Failure (not specified)	No	1:00	0	0
5	Billagah St	Wagga Wagga	100 AC	Pipe Failure (not specified)	No	2:30	0	0
8	1 Wewak St	Wagga Wagga	100 AC	Pipe Failure (not specified)	Yes	0:00	0	0
20	Forsyth St	Wagga Wagga	200 AC	Pipe Failure (not specified)	No	6:00	0	100
19	Narrang St	Wagga Wagga	100 AC	Pipe Failure (not specified)	No	4:00	0	10
20	Forsyth St	Wagga Wagga	200 BPVC	Pipe Failure (not specified)	Yes	0:00	0	0
22	Cnr Tinga/Walana Cres	Wagga Wagga	100 AC	Pipe Failure (not specified)	No	2:30	0	0
23	Gap Rd, near Reservoir	Wagga Wagga	150 BPVC	Pipe Failure - Ground Movement	Yes	0:00	0	0
17	Gillard Rd - Hammond Ave	Wagga Wagga	150 DI CL	Accidental damage	No	4:00	0	25
17	Laneway Eastern End, Wagga Rd	Wagga Wagga	40 PE	Pipe Failure (not specified)	No	2:30	0	0
22	65 Hardy Ave	Wagga Wagga	150 AC	Pipe Failure (not specified)	No	7:15	0	30
TOTALS						29:45	0	165
				Breaks needing		Breaks affecting		
	Total Breaks –	11		shut off -	8		customers –	0

RURAL								
Date	Location	Town	Main Type	Cause	Live Repair	Outage Duration Time	Customers Affected (no supply)	Water Lost Kl
3	57 Ivor St	Henty	150 AC	Pipe Failure - Ground Movement	Yes	0:00	0	13
3	59 Ivor St	Henty	150 AC	Pipe Failure - Ground Movement	Yes	0:00	0	17
3	The Rock Rd	Collingullie	80 PVC	Pipe Failure - Ground Movement	Yes	0:00	0	32
6	7 Railway St	Walla Walla	100 AC	Pipe Failure - Ground Movement	Yes	0:00	0	13
4	Doigs Lne	Pleasant Hills	40 PE	Pipe Failure - Ground Movement	Yes	0:00	0	8
7	Old Trunk Rd	The Rock	80 PVC	Pipe Failure - Ground Movement	No	2:00	10	10
13	Doigs Lne	Pleasant Hills	32 PE	Leaking collar	No	1:30	0	1
13	Matthews St	Lockhart	100 AC	Pipe Failure (not specified)	Yes	0:00	0	0
15	Parkins Rd	Oura	32 PVC	Pipe Failure (not specified)	Yes	2:00	0	0
27	Doigs Lne	Pleasant Hills	40 PE	Pipe Failure - Ground Movement	No	0:30	3	4
28	Federal St	Lockhart	100 AC	Pipe Failure - Ground Movement	Yes	0:00	0	0
TOTALS						6:00	13	98
		Breaks needing			Breaks affecting			
Total Breaks – 11		shut off -			3	customers – 2		

1.4 WATER QUALITY COMPLAINTS

Water quality complaints received during February 2017 were:

Date	Location	Problem	Action Taken
6/02/2017	Court House Fitzmaurice St, Wagga	Dirty water	R. Price to investigate
7/02/2017	26 Featherwood Rd, Springvale	Dirty water	Flushed service
8/02/2017	64 Peter St, Wagga	Dirty water	Flushed line
9/02/2017	431 Old Narrandera Rd, Gobbagombalin	Dirty water	Flushed service
16/02/2017	33 Featherwood Rd, Springvale	Pressure & taste	Flushed service
16/02/2017	79 Vincent Rd, Lake Albert	Dirty water	Renew pipe before meter
20/02/2017	27 Lampe St, Wagga	Dirty water	Flushed main
20/02/2017	118 Gurwood St, Wagga	Warm water coming from cold taps	Water OK our side
20/02/2017	156 Gurwood St, Wagga	Dirty water	Clean when arrived
20/02/2017	74 Simmons St, Wagga	Dirty water	Flushed main
21/02/2017	Womens Bowling Club Shaw St, Wagga	Bad water quality	Flushed service
22/02/2017	3/14 Leena Pl, Wagga	Dirty water	
24/02/2017	87 Raye St, Tolland	Dirty water	Gal pipes
27/02/2017	21 Wilson St, The Rock	dirty water & air	Flushed main & service
21/02/2017	313 Holloway Lane, Tolland	Dirty water	Flushed air valves until clear
21/02/2017	71 Simmons St, Wagga	Dirty water	Flush service & main
27/02/2017	Calvary Hospital, Wagga	Problems with sterilisers & HPC'S	Mains water within ADWG. Customer to talk to water rep
27/02/2017	44 Mason St, Wagga	Dirty water	Corroded gal pipes
23/02/2017	52 Commercial St, Walla	Strong Cl, heavy scale, water foams when boiled.	Water within ADWG. WQ to investigate further as a few complaints similar in the past

1.5 MAINS CONSTRUCTIONS

1.5.1 MAINS EXTENSIONS AND NEW WORKS

New water mains laid during February 2017 include:

LOCATION	PROJECT	100	150		375	450	600
		OPVC	OPVC	DICL	DICL	DICL	DICL
Dunn's Road	New Rural Res Mains					1362	
Lloyd Stage 6	New Sub- Division	99					
Estella Heights	New Sub- Division			22.8			
Crooked Creek	New Sub- Division	6		53			
Lloyd West Stage 9	New Sub- Division	84	90				
Clear Water Storage	Depot Treatment Plant				117		50
	TOTAL	189	90	75.8	117	1362	50

1.5.2 REPLACEMENT OF EXISTING MAINS

Mains replaced during February 2017 include:

LOCATION	PROJECT	150	200	300	375
		OPVC	OPVC	DICL	DICL
R.I.F.L	Byrnes Road Replacement		318	342	72
The Rock	Yerong Street	239			
	TOTAL	239	318	342	72

1.6 OTHER CONSTRUCTION

No other construction works during February 2017.

1.7 MAJOR REPAIRS / OVERHAULS

Major repairs/overhauls during February 2017 include:

LOCATION OR PROJECT	WORK DONE
Woomargama WTP	Replace chlorine dosing unit
Glen Oak	Overhaul pressure reducing valve
Tarcutta WTP	Replace filter control valve
Oura WTP	Fit pressure release valve to pump discharge for ice pigging
Wheel of Fortune Rd	Replace pressure reducing valve
Bulgary Bore #1	Fit pipework for magflow
Mount Austin Reservoir	Replace faulty transducer
Bulgary Highlift #2	Replace by-pass contactor

1.8 WATER FILLING STATION ACTIVITY

Water Filling Station activity during February 2017 include:

LOCATION	NUMBER OF FILLS
Bomen	320
Estella	129
Forest Hill	219
Glenfield	187
Henty	12
Holbrook	62
Lake Albert	106
Lockhart	34
Pleasant Hills	7
The Rock	9
Yerong Creek	11

1.9 STAFF TRAINING & SAFETY

The following training and/or safety activities were undertaken during February 2017:

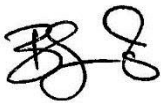
Training or Programme	Number of Staff
Workcover Licence - EWP	1
First Aid Refresher	3
Bonded Asbestos Removal	10

1.10 FLEET DISPOSALS

No fleet disposals made during February 2017.

1.11 FLEET ACQUISITIONS

No fleet acquisitions made during February 2017.



Bede Spannagle
DIRECTOR OF ENGINEERING

2. WORKS REPORT COVERING MARCH 2017

RECOMMENDATION That this report be received and noted.

- March Works Report 2017

**DIRECTOR OF ENGINEERING'S REPORTS
TO APRIL 2017 COUNCIL MEETING**

19TH April 2017

1 WORKS REPORT COVERING MARCH 2017

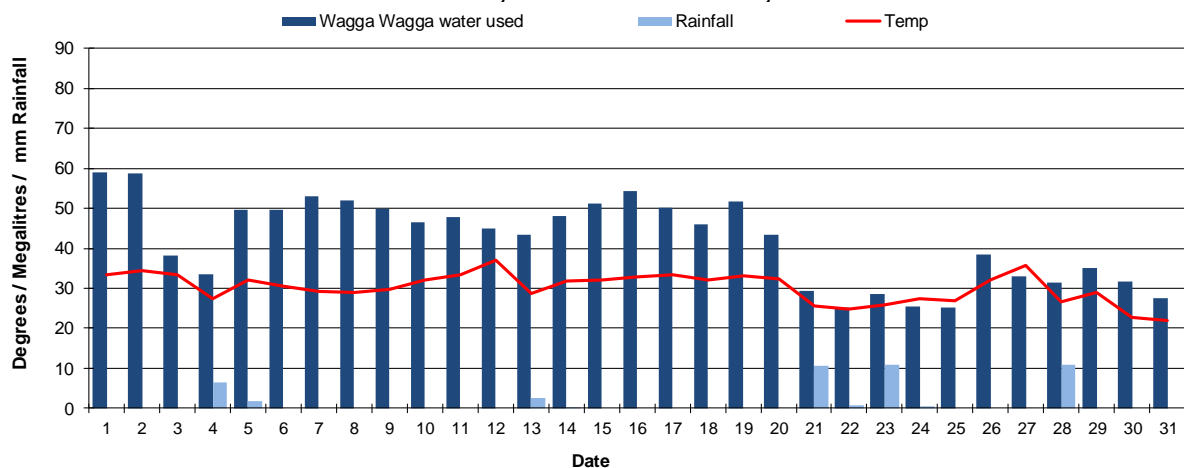
RECOMMENDATION: That this report be received and noted.

1.1 WATER SOURCED AND USED

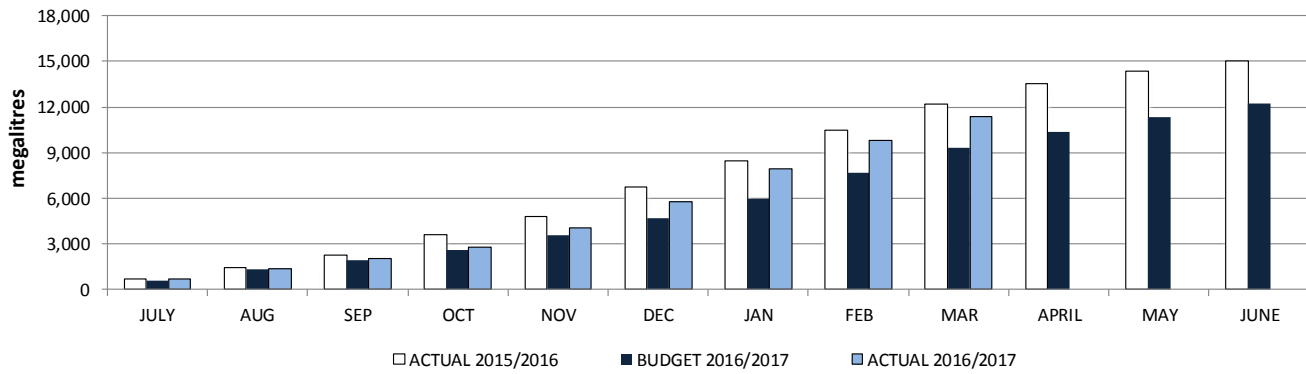
March	2015	2016	2017
Rainfall	1.4	33.2	44.6
Wet Days	3	8	9
WATER SOURCED March 2017 (MI)			
North Wagga bores	283.37	265.67	281.34
West Wagga bores	729.40	444.23	648.33
East Wagga bores	246.87	490.33	396.09
Murrumbidgee River	399.13	338.47	164.92
SUB-TOTAL	1,658.77	1,538.70	1,490.68
Bulgary Bores	55.32	59.93	42.11
Urana Source	10.39	7.22	5.99
Ralvona Bores	30.57	30.27	26.21
Walla Walla Bores	28.93	31.77	31.00
Goldenfields Water Supply System	3.77	6.46	4.59
SUB-TOTAL	128.98	135.65	109.90
Woomargama	1.49	2.44	2.11
Humula	1.16	0.87	0.80
Tarcutta	5.59	4.92	5.64
Oura	5.22	5.29	5.31
Walbundrie/Rand	3.90	4.77	4.40
Morundah	1.12	1.35	1.43
Collingullie	9.67	5.78	7.53
SUB-TOTAL	28.15	25.42	27.22
TOTALS	1,815.90	1,699.77	1,627.80

WATER USED March 2017 (MI)			
	2015	2016	2017
East Bomen	33.04	29.70	39.19
Estella	99.05	112.62	119.92
North Wagga	103.92	83.55	76.79
Wagga Wagga – Low Level	213.25	216.46	206.77
Wagga Wagga – High Level	857.78	798.63	729.10
Wagga Wagga – Bellevue Level	120.73	90.35	106.04
SUB-TOTAL	1,427.77	1,331.31	1,277.81
Ladysmith System	9.54	5.64	7.33
Brucedale Scheme	33.38	33.04	37.41
Currawarna Scheme	21.42	16.79	16.88
Rural south from Wagga Wagga	160.12	159.35	148.42
Rural from Walla Walla Bore	28.93	31.77	31.00
Bulgary, Lockhart and Boree Creek	35.21	38.87	23.98
From Boree Crk to Urana and Oaklands	31.09	29.30	24.95
Holbrook	30.57	30.27	26.21
SUB-TOTAL	350.26	345.03	316.18
Woomargama	1.49	2.44	2.11
Humula	1.16	0.87	0.80
Tarcutta	5.59	4.92	5.64
Oura	5.22	5.29	5.31
Walbundrie/Rand	3.90	4.77	4.40
Morundah	1.12	1.35	1.43
Collingullie	9.67	5.78	7.53
SUB-TOTAL	28.15	25.42	27.22
TOTALS	1,806.18	1,701.76	1,621.21

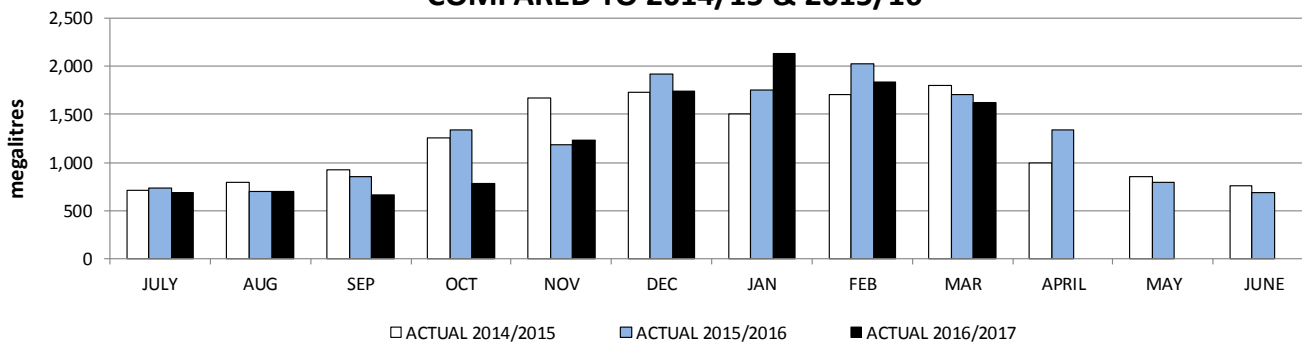
DAILY WATER USED, WAGGA WAGGA, March 2017



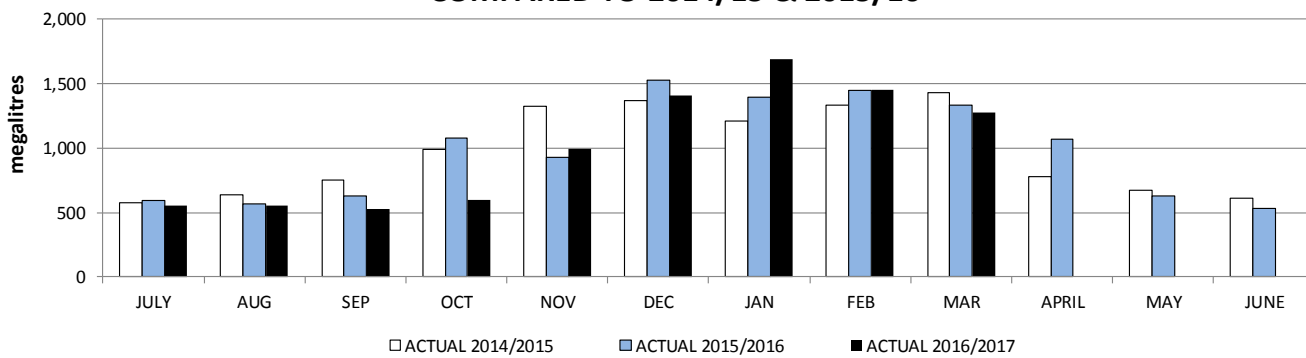
TOTAL CUMULATIVE WATER USED 2016/2017



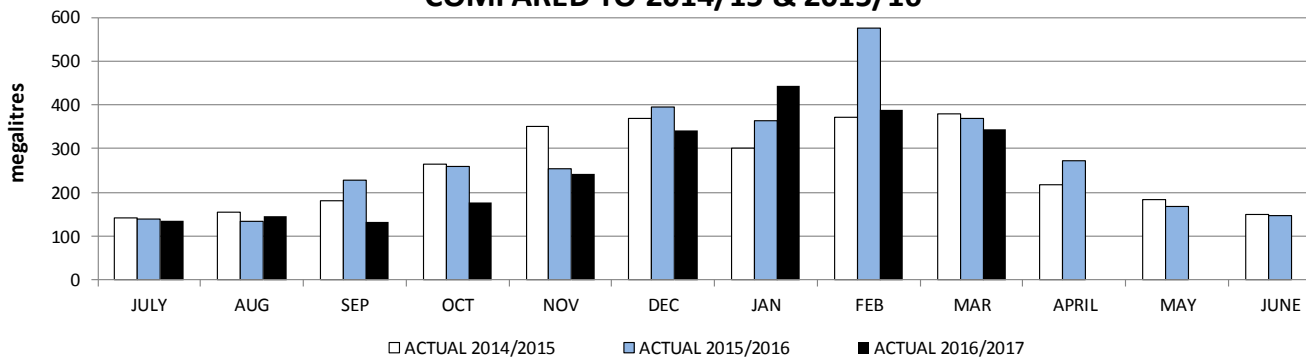
MONTHLY TOTAL WATER USED 2016/17 COMPARED TO 2014/15 & 2015/16



MONTHLY WAGGA WATER USED 2016/17 COMPARED TO 2014/15 & 2015/16



MONTHLY RURAL WATER USED 2016/17 COMPARED TO 2014/15 & 2015/16



1.2 NEW SERVICE CONNECTIONS, REPAIRS, METERS, LOCATIONS & COMPLAINTS FOR THE MONTH OF MARCH 2017

Location	New Connect., Residential	New connect., Non Residential	Services Renewed	Services Repaired	Quality Complaints	Supply Complaints *	Customer dealings complaints	Other Complaints	Frost damage	Meter or Metercock fault	Leaking valves or hydrants	Locations
Wagga	14		6	39	10	6				52	4	6
Brucedale												
Currawarna												
Euberta				1								1
Humula												
Ladysmith	1											
Oura					1							
San Isidore				1								
Tarcutta				1						1		
The Gap												
Bulgary					1							
Collingullie												
French Park				2								
Lockhart	1			1	1							
Mangoplah												
Milbrulong												
Pleasant Hills				1								
The Rock				3								
Uranquinty						1						
Yerong Creek				1								
Culcairn			1	1								
Henty	1											
Holbrook				1						1		
Morven												
Walbundrie												
Walla Walla	1											
Woomargama												
Boree Creek					1					1		
Morundah												
Oaklands				1								
Rand										1		
Urana				2								
TOTAL	18	0	7	55	14	7	0	0	0	56	4	7

1.3 WATER SYSTEM REPAIRS

WAGGA WAGGA								
Date	Location	Town	Main Type	Cause	Live Repair	Outage Duration Time	Customers Affected (no supply)	Water Lost KI
15	2 Hinkler St	Wagga Wagga	200 AC	Pipe Failure (not specified)	No	0:30	0	0
7	38 Pugsley Ave	Wagga Wagga	100 AC	Pipe Failure (not specified)	No	2:30	0	0
9	Mitchell Rd/Silverwood Rd	Wagga Wagga	100 AC	Pipe Failure (not specified)	No	2:30	17	15
13	Cnr Raye St & Anne St	Wagga Wagga	200 AC	Pipe Failure (not specified)	No	5:00	0	0
16	6 Sycamore St	Wagga Wagga	150 AC	Pipe Failure (not specified)	No	1:00	0	0
13	Cnr O'Sheas & Old Narrandera Rd	Wagga Wagga	80 PVC	Pipe Failure (not specified)	No	1:30	15	10
17	Mair St	Wagga Wagga	100 AC	Tree Roots	No	4:00	21	25
20	20 Cobders Rd/135 Narrandera Rd	Wagga Wagga	50 PVC	Pipe Failure (not specified)	Yes	0:00	0	0
19	Lowescroft St	Wagga Wagga	150 AC	Pipe Failure (not specified)	No	3:00	17	10
21	2 Day St	Wagga Wagga	100 AC	Pipe Failure (not specified)	Yes	0:00	0	0
24	194 Morgan St	Wagga Wagga	100 AC	Pipe Failure - Ground Movement	No	2:45	27	20
27	Brookong/Docker St	Wagga Wagga	150 DICL	Accidental damage	No	2:30	0	2
25	Plumpton/Lloyd Rd	Wagga Wagga	150 AC	Pipe Failure (not specified)	No	4:00	0	10
TOTALS						29:15	97	92
				Breaks needing		Breaks affecting		
Total Breaks – 13				shut off -	11	customers – 5		

RURAL								
Date	Location	Town	Main Type	Cause	Live Repair	Outage Duration Time	Customers Affected (no supply)	Water Lost Kl
16	Short St	Oura	100 WPVC	Pipe Failure (not specified)	No	3:30	0	5
2	Olympic Hwy	Culcairn	200 AC	Pipe Failure - Ground Movement	Yes	0:00	0	13
5	Lawrence St	Boree Creek	100 AC	Leaking collar	Yes	0:00	0	0
3	26 O'Connell St	Lockhart	100 AC	Tree Roots	Yes	0:00	0	0
7	Olympic Hwy	Yerong Creek	250 BPVC	T/ Band Broken/Leaking	No	0:30	0	0
13	Rohans Rd	Bulgary	450 CI	Pipe Failure - Ground Movement	No	2:30	15	89
14	Eades St	Boree Creek	200 WPVC	Pipe Failure - Ground Movement	No	3:30	0	37
15	Holbrook Rd	Morven	150 AC	Leaking collar	No	2:30	17	8
16	Rohans Rd	Bulgary	250 CI	Pipe Failure - Ground Movement	No	3:30	18	86,400
20	Chaplins Ln	The Rock	40 PE	Pipe Failure - Ground Movement	Yes	0:00	0	4
27	Chaplins Ln	The Rock	40 PE	Pipe Failure - Ground Movement	Yes	0:00	0	5
28	Chaplins Ln	The Rock	40 PE	Pipe Failure - Ground Movement	Yes	0:00	0	5
27	6 Galore St	Lockhart	100 AC	Pipe Failure - Ground Movement	Yes	0:00	0	9
29	Orme St	Boree Creek	100 AC	Pipe Failure - Ground Movement	Yes	0:00	0	43
29	Osborne Yerong Creek Rd	Pleasant Hills	32 PVC	Pipe Failure (not specified)	Yes	0:00	0	0
29	Osborne Pleasant Hills Rd	Pleasant Hills	32 PVC	Pipe Failure (not specified)	Yes	0:00	0	0
TOTALS						16:00	50	86,618
		Breaks needing			Breaks affecting			
Total Breaks – 16		shut off -			6	customers – 3		

1.4 WATER QUALITY COMPLAINTS

Water quality complaints received during March 2017 were:

Date	Location	Problem	Action Taken
4/03/2017	Harry Davis Dr, Lockhart	Dirty water	Flushed hydrant
13/03/2017	34 Wagga St, Oura	Dirty water	Flushed house
13/03/2017	34 Wagga St, Oura	Dirty water	Flushed service
16/03/2017	140 East St, North Wagga	Brown water	Installed new copper riser ball valve
16/03/2017	"Mascotti" Brookdale Rd, Bulgary	Air	Bled air from main & meter
15/03/2017	27 Mumford Rd, Ashmont	Allergy to BGA chemicals	No BGA in Wagga water. Not using BGA chemicals
20/03/2017	11 James St, Koorinal	Dirty water	Old gal pipes
21/03/2017	114 Fitzmaurice St, Wagga	Odour. Shares connection with hairdresser	All results within ADWG
24/03/2017	15 Nixon Cr, Koorinal	Dirty water	Flushed lines
29/03/2017	17 Darling St, Boree Creek	Dirty water	Flushed service & town

1.5 MAINS CONSTRUCTIONS

1.5.1 MAINS EXTENSIONS AND NEW WORKS

New water mains laid during March 2017 include:

LOCATION	PROJECT	100		150		200	300	375	450
		OPVC	DICL	OPVC	DICL	OPVC	DICL	DICL	DICL
Lloyd West Stage 4	New Sub-division	201		184					
New Bomen Road	RIFL				84	114	72	490	
Dunns Road	Mains to new Res								97
Estella Heights	New Sub-division				66				
Boorooma Stage 5	New Sub-division		24		49				
	TOTAL	201	24	184	199	114	72	490	97

1.5.2 REPLACEMENT OF EXISTING MAINS

Mains replaced during March 2017 include:

LOCATION	PROJECT	150	375	450
		OPVC	DICL	DICL
Hale Street	Bomen Rising Main		799	
Yerong St The Rock	Mains Replacement	306		
Kapooka Pump House	Mains Replacement			18
	TOTAL	306	799	18

1.6 OTHER CONSTRUCTION

Other construction works during March 2017 include:

LOCATION OR PROJECT	WORK DONE
Cootamundra Mains Replacement	Replace 297 Mtrs of 150 OPVC and services
Wagga Country Club	New 150mm Water service

1.7 MAJOR REPAIRS / OVERHAULS

Major repairs/overhauls during March 2017 include:

LOCATION OR PROJECT	WORK DONE
Waterworks	Cap off high level suction main
West Wagga Bore #5	Replace pump & motor
West Wagga Silica	Overhaul pump, injection spear point & replace dosing line
West Wagga WTP	Overhaul Shires pump & motor
North Wagga WTP	Overhaul fluoride dosing pump
Oura Bore #2	Pump to waste - water quality testing
Mount Austin Reservoir	Replace faulty transducer
East Wagga Bore #3	Replace air valve

1.8 WATER FILLING STATION ACTIVITY

Water Filling Station activity during March 2017 include:

LOCATION	NUMBER OF FILLS
Bomen	481
Estella	109
Forest Hill	126
Glenfield	99
Henty	10
Holbrook	26
Lake Albert	82
Lockhart	32
Pleasant Hills	2
The Rock	18
Yerong Creek	20

1.9 STAFF TRAINING & SAFETY

The following training and/or safety activities were undertaken during March 2017:

Training or Programme	Number of Staff
Cert. IV Project Management	4
Diploma Project Management	9
Chainsaw - Trim/Cross Cut	8
Fire Extinguisher Training	24
Skid Steer/Excavator CC	2
WIOA Conference Canberra	3
First Aid Refresher	1




1.10 FLEET DISPOSALS

No Fleet disposals made during March 2017.

1.11 FLEET ACQUISITIONS

No Fleet acquisitions made during March 2017.

1.12 MAJOR CAPITAL PROJECTS PROGRESS

	- On track
	- Behind Schedule
	- Unlikely this Financial Year

MAJOR PROJECTS 2016/17 (> Over \$100,000) - March 2017

Description	2016/17 Budget	Actual & Committed to Date	Comments
MANAGEMENT			
Land & Buildings for Admin, Depot & Workshops			
Replace Administration Airconditioning - Urban	\$175,000	\$144,813	Project completed. Contractor to provide O&M manual to complete contract requirements.
Access, Parking and Landscaping			
Levee protection stage 2 Hammond Ave - Urban	\$1,618,000	\$158,294	Design by Public Works is 95% complete. Tenders for construction to be advertised early next Financial year
PLANT & EQUIPMENT			
IT Equipment			
Corporate IT software upgrade/improvements - Urban	\$130,000	\$106,431	
Working Plant & Vehicle Purchases			
Routine plant & vehicle replacements	\$858,000	\$974,482	
Telemetry & Control Systems Upgrade			
West Wagga WTP & Bores Control System Upgrade	\$108,000	\$118,842	Project commenced and hardware purchased. Additional funds being transferred from "Radio Telemetry SCADA Upgrade" project
Radio Telemetry SCADA Upgrade	\$130,000	\$50,157	Migration to ClearSCADA telemetry system being finalised.
Radio Communications Upgrade/Replacements/Improvements			
Radio Communication	\$100,000	\$106,400	Project commenced and hardware purchased for establishing new digital radio repeaters at Galore Hill and Bomen's Cartright's Hill.

SOURCES			
Bores-renew/refurbish/decommission			
Bores-renew/refurbish/decommission - Urban	\$170,000	\$122,490	Routine motor and pump replacements commenced after summer for Bulgary Bore 1, West Wagga Bore 5, Nth Wagga Bore 1, and replacement for Nth Wagga Bore 1 VSD
TREATMENT PLANTS			
Aeration Tower Covers			
East Wagga Aeration Basin cover - Urban	\$160,000	\$118	Project deferred until WTP complete and site handed back to RWCC
Treatment Plant Refurbishments			
WTP Stage 1 - Urban	\$16,805,809	\$12,040,582	Commissioning anticipated in November 2017
Urana WTP replacement - Non-Urban	\$237,171	\$244,011	Stage 1 completed. New upflow clarifier installed and commission.
Woomagama WTP - Non-Urban	\$120,000	\$3,334	Project deferred
RESERVOIRS			
New/Replacement Reservoirs			
Shires Reservoir Relocation - Non-Urban	\$1,317,430	\$253,234	Earthworks 60% completed. Tender Recommendation for Reservoir construction to April Council meeting

MAINS, SERVICES & METERS			
MAINS			
System Improvements			
System Improvements - Non Urban	\$160,000	\$57,153	On going
Reticulation for Developers (including other extensions)			
Reticulation for Developers - Urban	\$800,000	\$555,166	On going
Renew Reticulation Mains			
Renew Reticulation Mains - Non-Urban	\$200,000	\$95,410	On going
Renew Reticulation Mains - Urban	\$268,000	\$459,341	On going
Lake Albert Rd Replacement	\$131,000	\$132,314	Completed
The Gap / Brucedale System - Non-Urban	\$100,000	\$56,556	Completed
Main St, Lake Albert - Urban	\$150,000	\$27,157	Underway
Angel St, Lake Albert - Urban	\$100,000	\$0	
Beckwith St - Urban	\$165,000	\$167,843	Completed
Renew Trunk Mains			
Bomen Trunk Main B (north of river) - Urban	\$300,000	\$56,444	Underway
Southern Trunk - Highway to New Reservoir 1.8km 450mm DICL	\$1,330,000	\$730,818	Underway
Low & high Rising Mains from CWS	\$1,100,000	\$1,031,794	Completed
SERVICES			
Service Connections, new including Meters			
Service Connections, new - Urban	\$500,000	\$251,422	On going
Renew Services			
Renew Services - Urban	\$100,000	\$70,832	On going
METERS			
Water Meters Replacement			
Water meters replacement - Urban	\$150,000	\$61,975	On going
Remote Metering			
Remote metering - Urban	\$250,000	\$42	Carry over to next year



Bede Spannagle
DIRECTOR OF ENGINEERING

3. ELECTRICITY PROCUREMENT AND COST IMPLICATIONS

RECOMMENDATION That this information be received and noted.

Council's current joint energy contract with Wagga Wagga City Council and Goldenfields County Council will expire of 30th June 2017.

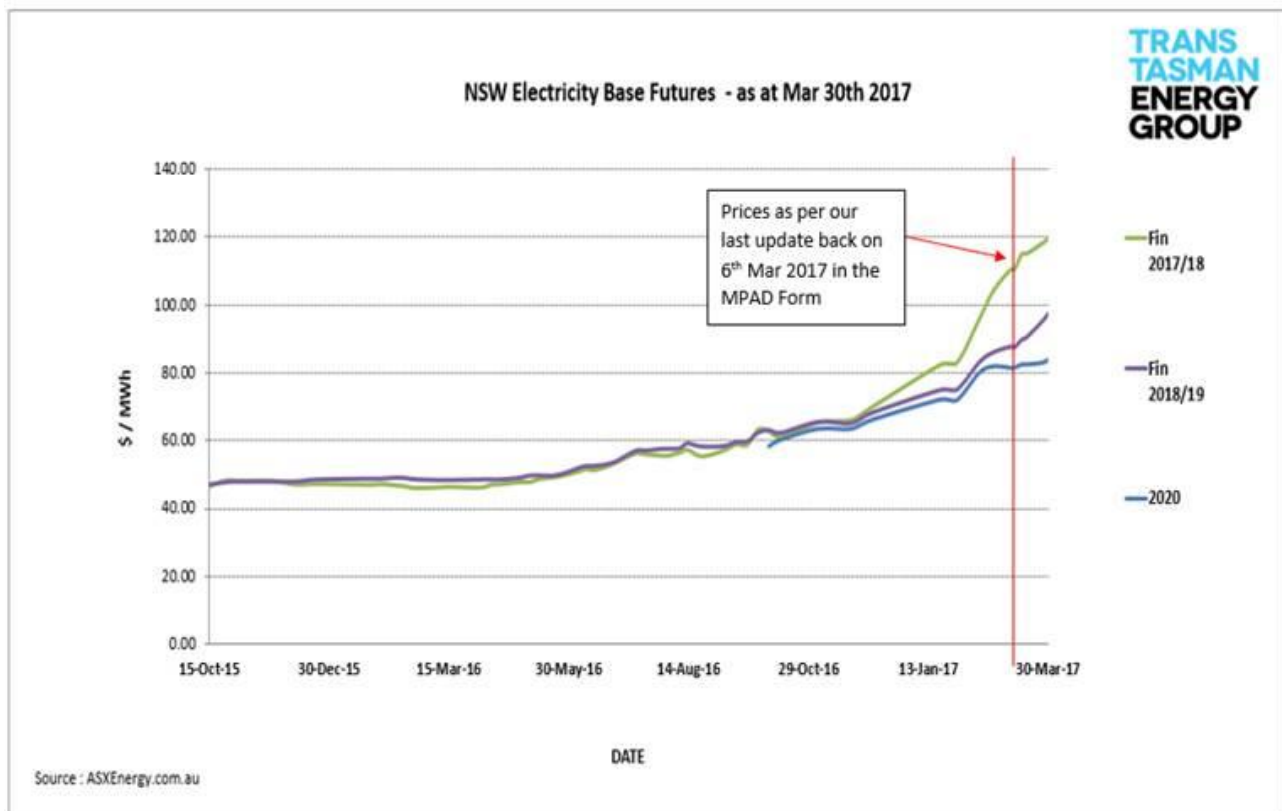
Riverina Water, Wagga Wagga City Council and Goldenfields County Council have all elected to pursue the NSW LGP contract for energy procurement.

Indicative maximum prices from NSW LGP have been received and energy costs are expected to increase to a maximum of approximately 3.5x for 'Peak' and 'Shoulder' tariffs, and 2.6x for 'Off Peak' tariff periods for Large Sites. Riverina Water's 26 Large Sites comprise up to 90% of total electricity costs.

Council is still pursuing NSW LGP contract and has submitted the maximum price agreement, and is currently waiting for the final outcome. It's hoped that contract energy prices would be significantly better than the indicative maximum prices supplied to date.

Significant volatility in the energy market has been attributed to the pending closure of Hazelwood Power Stations (Victoria's largest Power Plants) by the end of April 2017.

The graph supplied by NSW LGP indicate the high volatility during the 2017/18 year, with some degree of stabilisation over the following couple of years.



Based on energy usage costs in 2015-2016 (\$1.9M), the estimated impact from these energy usage charges will increase total electricity costs a further \$1.6M to a total costs to \$3.5M.

The estimated increase cost of \$1.6M is based on applying an average factor of 3x to usage charges associated with Large Sites only.

It should be noted that other additional increases to electricity costs may still be applied, including:

- a further 6% increase in energy usage costs associated with Network Loss Factors for large sites (figures recently released on 30th March 2017)
- any potential increases to Essential Energy's Network Charges (which currently comprise of up to 60% total energy costs)
- any potential increase to energy costs associated with Small Sites (which currently comprise of approximately 10% of total energy costs)

4. CONTRACT W.195 – WATER TREATMENT PLANT PROGRESS REPORT

RECOMMENDATION that Council receive and note this report.

The draft WTP project monthly progress report from UGL is attached.

Construction progress summary

Construction has progressed as expected during the recent months. UGL personnel has changed with a new Project Manager, Construction Manager and Civil Supervisor starting in the last month. This should see a decrease in the amount of rectification work on future works. It is expected that scope work will increase in the near future with mostly clear weather forecast allowing progress on the completion of underground services and the majority of roadworks.

The Sludge Treatment Plant has operated satisfactorily by RWCC through the summer period. Some rectification work to the VSD's and electrical motor on the centrifuge will now be undertaken by UGL during the winter season.

UGL have developed plans for the construction of Raw Water Intake works and now have a detailed program. There is still a significant risk that the coffer dam will be inundated during the construction period with initial pumping showing leakage rates are high. UGL are now implementing measures to address these leakage rates to allow full dewatering of the intake site. This is no easy solution and it is expected this will be an ongoing problem.

Progress on Contract issues

Council will recall, the previous report (February) that RWCC have agreed to a commercial settlement with UGL to accept the non-conforming welds in the Lamella Clarifiers for a reduction in contract price by \$300K+GST.

Ongoing issues with the installation of the lamella frames and plates mean the whole scope of the lamella clarifiers remains unresolved. Ongoing discussions are being held with UGL to rectify this.

The attached report is draft only and contains a sentence under the variation list, from the author of the report, "The number of unresolved commercial issues continues to increase as claims that have been submitted remain unassessed".

My advice from UGL senior executive is that this comment has come from a UGL employee who has been removed from the project. The comment is unsubstantiated and unhelpful, and I can assure Council that every variation received has been, and will continue to be, assessed within the required contractual timeframes.

I have asked that the reference be removed from the final version of the report.

- **UGL Project Status report – DRAFT**



PROJECT STATUS REPORT



PROJECT:	Wagga Wagga WTP Upgrade
CLIENT:	Riverina Water County Council
CONTRACT NO.:	W195
UGL PROJECT NO.:	3200-0485
REPORT DATE:	23 rd April 2017 (Draft)
REPORT NO.:	20
PROJECT MANAGER:	Doug Anderson
PREPARED BY:	David Murphy

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1.0 SUMMARY

Project progress in April was focussed on progressing the road works and undertaking air distribution testing of filter floors. A substantial change in the team structure occurred during the month, to provide renewal and increased impetus for project completion, as well as providing further support for completion of the raw water intake works.

Electrical works continue to be focussed on punchlist works within the filter, lamella and chemical areas as works principally were complete - along with associated test and quality documentation within the month. Cabling works in the clear water storage switchroom.

The raw water works undertaken during the month were focussed on improving access following Geotech report requiring some further bank stabilisation. As well as commencement of dewatering activities.

Mechanical installation progress has been substantively focussed on lamella channel grouting of the filter channels and cladding of the clear water storage roof.

Underground works focussed on completion of remaining works to facilitate the road works.

Key Milestones achieved in the Period were:

- Filter floor air distribution testing
- Roadworks excavation and sub-base preparation
- Lamella trough grouting

The number of unresolved commercial issues continues to increase as claims that have been submitted remain unassessed.

While safety performance across the site continues to be good in terms lag indicators such as injuries, there remains scope for improvement in performance when considering the lead indicators. A key area of focus has been works planning and communication.

2.0 SCOPE OF WORK

The project scope of works is to replace the Wagga Wagga Water Treatment Plant (WTP) to provide additional process capacity and asset reliability to produce up to 55ML/day of water for the residents of Wagga Wagga.

Refer to Appendix A for a summary of scope of works for the project.

3.0 HSSE

The total hours worked on the project in March was 5,870 hours. Subcontractor hours recorded on site was 3970 hours. Total hours worked on the project to date is 172,967.

No lost time injuries (LTI) or MTI and no First Aid (FAI) were recorded in the month of March.

Site inductions of 25 individuals have been undertaken with current total of 561 inductions completed not including visitor inductions and 24 UGL HSSE pre-start meetings were held also individual subcontractor pre-start meetings occurred on site daily. The investigation of the environmental incident from early in the month remains ongoing with a report being developed as part of our internal investigation and for development one environmental incident concerning silt discharge to the river. With regard to safety one near miss associated with works at the coffer dam occurred which has been

investigated and has resulted in both procedural and organisational changes, and two instances of damage to underground services also occurred during the month.

Looking towards April/May we will be focussed on the following:

- Works preparation and planning
- SWMS development by subcontractors and UGL.
- Continuing training site personnel in UGL Utake 5 and HAZOB
- UGL new Critical Risk Protocols all site personnel

Routine random alcohol breath testing was undertaken on a number of occasions with total tests completed now on site 2551.

While safety performance across the site continues to be good in terms lag indicators such as injuries, one significant near miss occurred in the raw water area associated with modifications to the temporary works being undertaken over water. The investigation is currently underway internally to identify opportunities to improve.

The March Safety Report is shown in Appendix B.

4.0 RISK / CRITICAL ACTION AREAS

Summary of Top Risks at March:-

Risk Description	Potential Impact	Control Measures
Raw Water Works Construction overrun	Overrun to construction programme	Where possible undertake preparatory works and assess works wherever possible. Contractors in place and planning completed Have planning in place for water disposal
Filter media sampling and logistics impacts construction	Overrun to construction and commissioning programme	Undertake sampling at point of manufacture Improve sampling methodology. Staged deliveries and loading where possible. Utilise local sampler and analysis to expedite.
Quality and specification issues	Impact to project efficiency and rate of completion Additional resources required for investigation and remedy. Subcontractor Impact to Client Relations and Perceptions	Engage in regular forums for resolution of issues Apply additional resources Ensure suppliers and subcontractors
Unexpected ground conditions (RW)	Revisions to works methodology and overrun to construction programme	Temporary works and geotechnical engineer engaged/available Access site as early as possible. Works methodology to include for contingency actions for poor ground; including surface preparation, temporary materials and water management.
Commissioning Program Overrun	Plant not ready for performance trial by the required date.	Commission plant in stages and work with RWCC to optimise sign-off processes. Weekend work required to commission plant by the required date. Additional commissioning resources as

		needed.
Exceptional Inclement Weather	Delays associated with site inundation due to additional rainfall on site and rise in river levels.	<p>Use construction methodologies which mitigate impacts.</p> <p>Inlet structure works completed during low flows in the river.</p> <p>Insurance policies in place</p> <p>Ensure familiarity with RWCC flood response plan</p>

5.0 CONTRACT/COMMERCIAL

5.1 Progress Claim

Monthly progress meeting number 20 was held at site. The **twenty first progress claim** was agreed. The table below summarises the progress to the 23rd April.

	WAGGA WAGGA WATER TREATMENT PLANT	Month	Apr-17
Item No.	Schedule of Prices	Total Claim to date	
1	Provision of Preconstruction Activities		
	Preconstruction Activities subtotal (1)	100%	
2	Provision of Project Management and Site Running Activities		
	Project Management Activities subtotal (2)	95%	
3	Complete all additional designs, where required		
	Design and Documentation subtotal (2)	100%	
4	Intake Works		
	Intake Works - General subtotal (3)	26%	
5	Raw Water Piping System		
	Raw Water Piping subtotal (4)	53%	
6	Lamella & Rapid Mix Tank		
	Lamella & Rapid Mix Tank subtotal (5)	98%	
7	Filters		
	Filters subtotal (7)	97%	
8	Filter Water Tank & Backwash		
	Filter Water Tank & Backwash subtotal (8)	100%	
9	Machinery Room		
	Machinery Room subtotal (9)	96%	
10	Clear Water Storage & Pumping System		
	Clear Water subtotal (10)	94%	
11	Aluminium Dosing Plant		
	Aluminium Dosing Plant subtotal (11)	98%	
12	PACL Dosing Plant		
	PACL Dosing Plant subtotal (12)	95%	
13	Caustic Soda Dosing Plant Facilities		
	Caustic Soda Dosing Plant subtotal (13)	97%	
14	Sodium Hydrochlorite Dosing Plant		
	Sodium Hydrochlorite Dosing Subtotal (14)	98%	
15	Polymer Dosing Plant		
	Polymer Dosing Plant subtotal (15)	98%	
16	Fluoride Dosing Plant		
	Fluoride Dosing subtotal (16)	99%	
17	Other Items		
	Other Items subtotal (17)	77%	
18	Electrical Items		
	Electrical subtotal (18)	94%	
19	Testing Demonstration Commissioning		
	Testing Demonstration and Commissioning (19)	13%	
20	Post Process Proving		
	Post Process Proving (20)	0%	
21	Sludge Handling & Dewatering System		
	Sludge Handling subtotal (19)	96%	
22	Other Options Accepted		
	Options subtotal (20)	84%	
23	Variations		
	Variations Subtotal	87%	

5.2 Variations

During the period no variations were approved relating to design development and site conditions.

The table below provides a summary of variations against the contract.

Variation No.	Title	Amount (\$ 000) Excl. GST	Status (April)
VO01	Control System Design for fully networked plant	15	Approved
VO02	AC Road Surface	101	Approved
VO03	Future UV	21	Approved
VO04	Disabled Access	278	Approved
VO05	Aggressive Water Response	79	Approved
VO06	NSC02 – removal of Gyprock	5	Approved
VO07	Transformer supplied by principle	- 244	Approved
VO08	Existing Balance Tank Permanent Walkway	127	Not proceeding.
VO09	Chemical Dosing – Alum Storage	81	Approved
VO10	Switchboards additional spare capacity	8	Approved
VO11	Lamella plate capacity	45	Approved
VO12	Sewer pump station	5	Approved
VO13	Manual Penstocks on Clarifier Inlet	9	Approved
VO14	Increased bearing capacity in the filters	31	Approved
VO15	Waste in excavation NSC04 & NSC06	10	Approved
VO16	Asbestos in Levee	26	Approved
VO17	Warehouse Facility	- 18	Approved
VO18	Filter Gallery Trenches	41	Approved
VO19	Additional 25mm cover to Slab	8	Approved
VO20	Raw Water Intake	105 260	20A Approved 20B Approved
VO21	Material Compatibility Changes	- 17	Approved
VO22	Non-relocation of Workshop Sewer	- 6	Submitted
VO23	Pits under existing centrifuge building - NSC10	8	Approved
VO24	Clear Water Pumps Mechanical Seal	78	Not Proceeding
VO25	Bomen Line	132	Rejected – UGL Issue NOI09
VO26	NSC11 Material Excavated under UGL Carpark	27	Approved
VO27	NSC12 Asbestos at Wash Water Holding Tank	3	Rejected – UGL Issue NOI10
VO28	NSC13 Poor Ground at Sludge Thickener Tank	20	Submitted
VO29	Filter Water Overflow Changes	-80	Approved
VO30	Site Road Realignment	17	Submitted

VO31	Roof Access Ladder to Centrifuge Building	14	Approved
VO32	NSC14 Damage to Scour Line & Repair	11	Rejected – UGL Issue NOI06
VO33	Flowmeter Modbus Communications	22	Submitted
VO34	Caustic Building Lighting Changes	3	Submitted
VO35	Provision of Eave Linings to buildings	80	Rejected – UGL to Respond
VO36	Sludge Thickener Infill Slab	90	Approved
VO37	NSC15 Reinstall DICL	22	Rejected – UGL Issue NOI07
VO38	Modification to Filter Building Stair	38	Rejected – UGL Issue NOI08
VO39	Field Isolators	67	Rejected – UGL to Respond
VO40	Street Light Fittings	9	Approved
VO41	Offsite cleaning of SS Reo	26	Rejected – UGL to Respond
VO42	Design changes roads and gutters	0	Submitted
VO43	S&I 4.8 to 9.6 Garnet Filter Media	86	Approved
VO44	Lamella Corrosion	-300	Approved
VO45	Concrete slab between filters and Lamella	1	Not proceeding at \$35
VO46	NSC16 Remove Concrete Slab	4	Approved
VO47	Failed Pressure Test due to Existing Sludge Suction Valve	9	Submitted
VO48	Changes to Sludge Discharge Pipework	25	Rejected – UGL Issue NOI10
VO49	Bore Water Pressure Line Changes	63	Submitted
VO50	Filter Building Pop out Power Outlets	2	Approved
VO51	Centrate Pump Station Re-route to wash water holding	71	Submitted
VO52	Additional Landscaping & Footpaths	167	Rejected – UGL to Respond
VO53	NSC17 Asbestos at A2 to A203	4	Submitted
VO54	Buildings Roof Drainage Connection to Stormwater System	74	Submitted
VO55	High Low Lift Check Valves	24	Submitted
VO56	Rework External Chemical Delivery Pipework	15	Submitted
VO57	Rework of Sludge Thickener Riser	9	Submitted
VO58	Encase Stormwater A4_1 to A4_1_1	11	Submitted
VO59	Encase Stormwater A4_3 to A4_3_2	15	Submitted
VO60	Encase Wash Water under Roadway	42	Submitted
VO61	Raw Water Piping Hazop Changes	54	Submitted
VO62	Ancillary Pipework Material Changes	80	Submitted
VO63	Dewatering Controls Changes	7	Submitted

VO64	Control Room Joinery Changes	22	Submitted
VO65	Thickener Rake Bearing Flushing Line	16	Submitted
VO66	Power Monitor Comms with PLC	5	Submitted
VO67	Additional Reinforcement in WRS	313	Submitted
VO68	Additional Hydrotite Jointing to WRS	43	Submitted

A review of the tender design and completion subcontractor package close outs have identified a number of variations, which are being developed and submitted.

The number of unresolved commercial issues continues to increase as claims that have been submitted remain unassessed.

During the month four variations were rejected, UGL disagrees with RWCC and is developing responses and will be looking to engage to reach alignment.

6.0 FINANCE

The table below summarises the invoices and payment status within each of the contract.

Claim Description	Invoice no.	Amount	Claim/Invoice Status
W195 Progress Claim 1	Invoice # 1	\$ 879,128.59	Paid
W195 Progress Claim 2	Invoice # 2	\$ 1,428,346.00	Paid
W195 Progress Claim 3	Invoice # 3	\$ 1,246,918.00	Paid
W195 Progress Claim 4	Invoice # 4	\$ 2,341,562.00	Paid
W195 Progress Claim 5	Invoice # 5	\$ 2,269,089.00	Paid
W195 Progress Claim 6	Invoice #6	\$ 1,652,403.00	Paid
W195 Progress Claim 7	Invoice #7	\$ 2,039,696.00	Paid
W195 Progress Claim 8	Invoice #8	\$ 1,764,615.00	Paid
W195 Progress Claim 9	Invoice #9	\$ 2,037,494.00	Paid
W195 Progress Claim 10	Invoice #10	\$ 2,540,706.00	Paid
W195 Progress Claim 11	Invoice #11	\$ 3,296,966.00	Paid
W195 Progress Claim 12	Invoice #12	\$1,309,013.00	Paid
W195 Progress Claim 13	Invoice #13	\$1,208,270.00	Paid
W195 Progress Claim 14	Invoice #14	\$ 967,609.00	Paid
W195 Progress Claim 15	Invoice #15	\$ 714,741.00	Paid
W195 Progress Claim 16	Invoice #16	\$ 582,416.00	Paid
W195 Progress Claim 17	Invoice #17	\$ 723,083.00	Paid
W195 Progress Claim 18	Invoice #18	\$ 614,612.00	Paid
W195 Progress Claim 19	Invoice #19	\$ 502,532.00	Paid
W195 Progress Claim 20	Invoice #20	\$ 480,610.00	Approved
W195 Progress Claim 21	Invoice #21	\$ 512,187.00	Draft

During the period no variations were approved as part of the W195 Contract. The table below summarises the current approved Contract value of the Contract.

Contract	Value (ex GST)	Contract Value Status (April)
W195	\$ 36,619,005	No Change

7.0 PROGRAMME

Project progress in April was focussed on progressing the road works and undertaking air distribution testing of filter floors. A substantial change in the team structure occurred during the month, to provide renewal and increased impetus for project completion, as well as providing further support for completion of the raw water intake works.

Electrical works continue to be focussed on punchlist works within the filter, lamella and chemical areas as works principally were complete - along with associated test and quality documentation within the month. Cabling works in the clear water storage switchroom.

The raw water works undertaken during the month were focussed on improving access following Geotech report requiring some further bank stabilisation. As well as commencement of dewatering activities. Following the environmental and safety incidents in this area last month a major review of the raw water works was undertaken and included personal changes. This resulted in additional planning and preparation time over and above that was planned but it is hoped that this will further set-up the construction phase for successful completion over the coming months.

Mechanical installation progress has been substantively focussed on lamella channel grouting of the filter channels and cladding of the clear water storage roof.

Underground works focussed on completion of remaining works to facilitate the road works.

Key Milestones achieved in the Period were:

- Filter floor air distribution testing
- Roadworks excavation and sub-base preparation
- Lamella trough grouting

Further commissioning works were undertaken at the PLC and including operation of drives at the Lamella, setting up of instrumentation and commencing works throughout the chemical area. The major milestone of completion of air distribution testing of the filter floors was undertaken using the blowers.

Key revised target construction dates for the month ahead are as follows:-

Activity	Target
Filter Media Loading and Washing	Late April 2017
Completion Lamella Installation	Late April 2017
Road Works Stage One Completion	Early May 2017
Raw Water Intake Concrete works	Early-mid May 2017

8.0 QUALITY

Production of Inspection and Test Reports (ITPs) continues for civil/structural, mechanical and electrical works across the site.

We continue to work through finalising the quality issues with some of fabricated equipment with many of the issues now closed out. There is an ongoing process of working through answering a number of RWCC queries on specification compliance within the work, which has generally been met but takes time to demonstrate on some occasions due to the highly technical nature of some items. In some

instances remedial works have been required to meet the aspects of the specification and we are working with suppliers as needed to remedy these.

We have mobilised some additional mechanical resources to improve the documentation and sign-off of quality issues and a visit from the UGL quality manager to assist to drive sign-off and completion.

9.0 ENVIRONMENTAL

Project Construction Environmental Management Plan generally continue to be implemented.

The investigation report continues to be finalised into the discharge of water to the river. The responses to the Department of Planning and EPA are just about finalised and will be submitted in due course. It is our hope that the Project's good track record and the nature of the event will support our submission.

In the month of April, the routine visit from independent environmental representative was undertaken with no significant issues being identified.

10.0 INDUSTRIAL RELATIONS

No significant issues.

11.0 DESIGN AND TECHNICAL

Design is complete.

12.0 COMMISSIONING

Commissioning has been focused on confirming equipment operations in the lamella and filter areas and that communications are functioning. There has also been works to set-up instrumentation in field and confirm communications with the PLC. The filter waste water pumps and blowers were operated. The significant milestone during the month was the air distribution testing of the filter floors to validate their installation.

The focus of commissioning in the next month will be on the chemical area and filter area as part of filter media loading.

13.0 STAKEHOLDERS

The UGL site have continued to engage with other contractors on site as well RWCC staff and construction teams and no issues arising.

Outside of the interactions with Department of Planning and EPA noted above, no other significant issues to report with External Stakeholders in the month.

14.0 SITE PROGRESS



Photo 1: Site Overview April



Photo 2: Filter Air Distribution Testing



Photo 3: Filter Air Distribution Testing



Photo 4: Raw Water Crane Pad Preparation

APPENDIX A – SCOPE OF WORKS SUMMARY

The project scope of works is to replace the Wagga Wagga Water Treatment Plant (WTP) to provide additional process capacity and asset reliability to produce up to 55ML/day of water for the residents of Wagga Wagga.

The WTP shall be designed to operate at a treated water production rate anywhere between 60 ML/d (695 L/s) and 22 ML/d (255 L/s).

The main treatment process of the WTP shall include coagulation and flocculation, inclined plate clarification, dual media filtration, chlorination, and fluoridation. Process wastewater shall be managed using gravity thickening and mechanical dewatering.

Product water shall be produced to meet the quality requirements of the specification and shall treat the required quality. The project target completion periods are for a design and construction period of 60 weeks, followed by a 10 week commissioning and proving period.

The scope of on-site works for UGL Engineering and its subcontractors as described in the contract are limited to the following;

The new water treatment facility shall consist of the following elements for a new 60ML/d Water Treatment Plant:

- Raw water intake and pumping station. The intake would be constructed within the river. The pumping station would be built on Crown Land adjacent to the WTP on the bank of the Murrumbidgee River to supply raw water to the plant;
- Alum and polymer dosing systems;
- Inclined plate clarifiers (Lamella clarifiers);
- Six dual media filters including backwash pumps and air scour blowers;
- Chlorine storage and dosing system and channel-type static mixer for clear water storage;
- Fluoride dosing system;
- pH correction dosing systems;
- Dewatering building with two new centrifuges to dewater sludge material produced from clarification and filtration during the water treatment process.
- Backwash wastewater collection tank and pumping station for the wastewater produced from the clarification and filtration process;
- Clear water system upgrade including a new 3 ML clear water storage tank and low level and high level pumping stations each fitted with three pumps;
- Electrical works including switch-rooms, automation and control infrastructure, electrical substations and two new 1500kVA transformers;
- Filter wastewater collection sump and transfer pumps;
- Pipework and valves;
- Control room, water testing and analysing facilities;
- Internal access roads;

UGL is responsible for undertaking the detailed design, construction, commissioning, training and handover for aspects of the scope of works above.

UGL will also provide post completion technical support comprising, where necessary some site visits, to assist RWCC in operating and optimising the plant.

APPENDIX B – MARCH MONTHLY SAFETY REPORT

HSSE Monthly Safety Report –March 2017

1.0 Overview Statistics

	March 2017	Total to Date
UGL Hours	1900	48,692
Subcontractor hours	3970	124,275
Total Site Hours	5870	172,967
LTIFR: Target <.50	0	0
TRIFR: Target 2.70	0	0
MTIFR:	0	0
Lost Time Injuries (LTI)	0	0
Days lost to LTI	0	0
Medical Treatment Injuries (MTI)	0	0
1 st Aid Injuries	1	5
Incidents:		
Injury	1	5
Damage/ Loss	3	15
Near Miss	2	35
Hazard	13	43
Report Only	0	6
Journey Incident	0	0
Non-work related injury	0	0
Environmental	2	8
Safety Initiatives:	1	11
Workplace Safety Inspections	15	567
Environmental Inspections	2	60
Safety Conversations (UGL)	23	906

Utake 5 (UGL)	200	4698
Hazobs	13	431
Site audit (e.g. Plant pre-start)	4	55
SWMS reviews	7	237
Site inductions	25	561
Tool box meetings	2	56
Training hours	0	121
Plant delivery inspections	10	139
Checkit compliance (UGL)	100%	96%
UGL/ External Audits	1	3
Alcohol Breath tests	131	2682
Drug tests	0	141

2.0 Incident Summary

The following incidents occurred on site in March 2017.

Environmental: UGL had set up a 4-inch pump to pump water from the coffer dam in the river installed for the development of the raw water intake structure. The river water from the coffer dam was been pumped up to the caravan park next to site onto a grass area. When delivery hose was moved dafter a time due to water been pumped towards campers in the caravan park. UGL personnel operating the pump when to lunch, during this time the area in the caravan park became water logged and the water ran back towards to river down the caravan park access road to area located near caravan boat ramp. A minor sediment spill occurred outside the sediment curtain UGL installed for the construction of the raw water intake.

Actions: Work in the coffer dam stopped

Near Miss: A UGL tradesman and subcontractor excavation operator were working in the Cofferd Dam to remove a supporting steel beam which spans the width of the coffer dam. In doing so the UGL trades person was working on the coffer dam structural support beam removing attachment bolts so the support beam could be removed. The UGL personnel was not wearing a life vest when working over water on the edge of the support beam (300mm deep water). The support beam was located over a rock bed which was in place as an excavator pad for the task of removing sheet piles and structural support beams. Preliminary information indicates that a task specific lift assessment, SWMS or UTake 5 was not in place for the removal of the coffer dam support beams.

Actions: The incident was reported to our HSE Manager on site by our client on 9/3/2017. Instruction has been issued to the project team that no works is to proceed in this area until a thorough risk management process has been reviewed, applied and approval to proceed. Investigation has commenced with PC1 briefing meeting scheduled

Damage: PCT Plumbing was excavating with 5-ton excavator next to clear water electrical witch room to install storm water pipe from electrical switch room roof guttering to storm water pit when the excavator operator struck an underground medium pressure airline. A spotter was in place and raised and raised the attention of the excavator operator of the struck airline whom then placed the excavator bucket over the damaged airline. UGL excavation permit issued to PCT Plumbing for the task of laying underground storm water pipe but the UGL excavation permit did not show the underground medium pressure airline only water and HV power conduits. Utake 5 developed and has hazards of live services. Medium pressure airline not shown on UGL site design drawing

Actions: Medium pressure airline isolated by PCT plumbing supervisor.

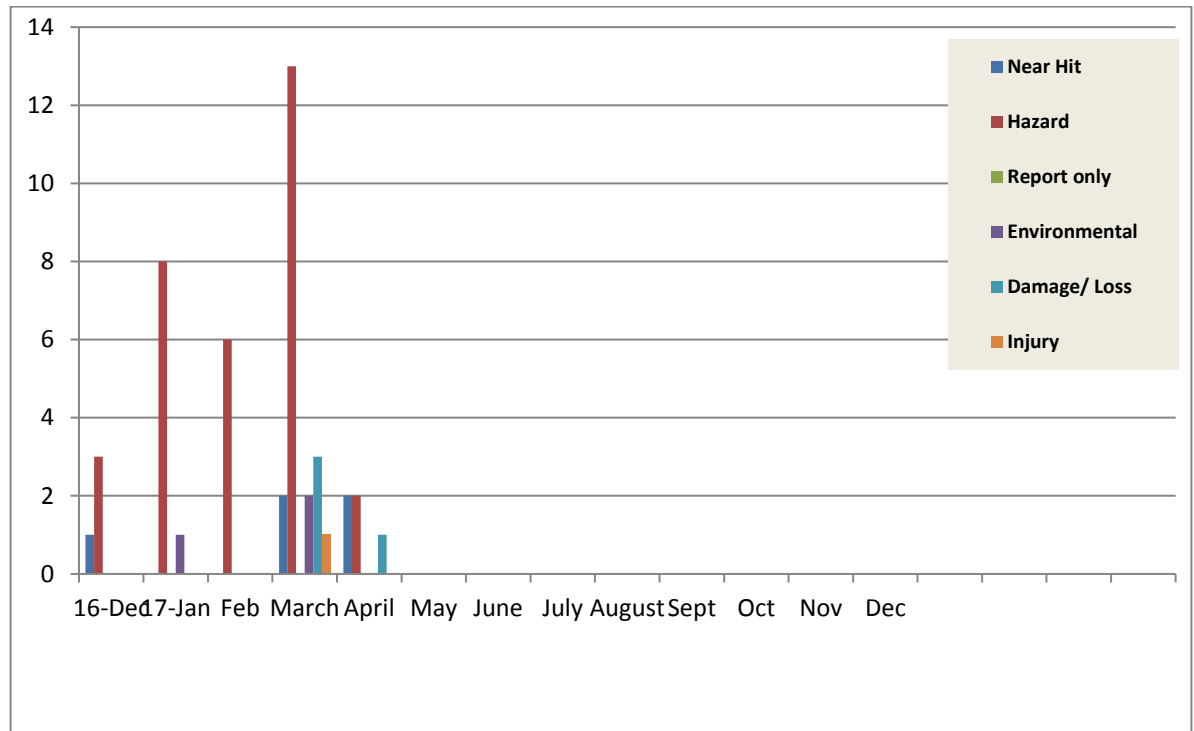
Damage: While excavating to expose electrical and communication cables with a 3 ton excavator (PCT plumbing) to allow the cables to be in cased in concrete. The excavator was removing bedding sand when a rock which was hidden in the bedding sand became caught between the excavator bucket and the electrical conduit causing a 100mm x 50mm hole in the conduit when the rock struck the conduit.

Actions: Work stopped, conduit covered until repairs by site electrical subcontractor

Damage: While excavating to expose electrical and communication cables with a 3 ton excavator (PCT plumbing) to allow the cables to be in cased in concrete. The excavator was removing bedding sand when a rock which was hidden in the bedding sand became caught between the excavator bucket and the electrical conduit causing a 100mm x 50mm hole in the conduit when the rock struck the conduit

Actions: Work stopped, conduit covered until repairs by site electrical subcontractor

Wagga Wagga WTP Incident trends



- March 2017 25 Site inductions not including visitors inductions
- Continuing education of local subcontractors in regards to SWMS & Safety Culture Development/ Awareness
- Safety Award March 2017 Evan Male JRC Electrical

3.0 Project Safety Initiatives for April 2017

- **Training:**
 - SWMS development by subcontractors
 - Continuing training site personnel in UGL Utake 5 and HAZOB
 - UGL new Critical Risk Protocols all site personnel
- Continuing with Project Manager Monthly Safety Awards

➤ **UGL Daily Pre-start meetings:**

Daily site hazards, site hazard board updates, continuing discussion of subcontractor interfacing requirement to, site personnel consultation

➤ **Subcontractor** individual pre-start meetings conducted after site pre-start. Subcontractor individual work tasks & hazards involved

➤ **UGL Weekly Toolbox meeting:**

- Site incidents / actions, industry safety alerts, continuing discussion of site safety hazards, site personnel consultation. Update of the site notice board.
- Weekly supervisor/subcontractor HSE meeting discussing HSE initiatives for the project as well as subcontractor interfaces.
-

➤ **Site Safety Inspections:**

Continuing compliance with UGL WWTP Project Safety Management Plan via:

- ✓ Site safety inspections
- ✓ UGL Safety conversations
- ✓ UGL UTake 5
- ✓ UGL Hazobs
- ✓ Plant operator pre-start inspection audits
- ✓ SWMS reviews, work permit audits

➤ **Fitness for Work:**

- Continuing Alcohol testing at pre-start meetings
- Drug testing as per Project Safety Management Plan

➤ Continuing Site Environmental inspections and education to subcontractors regarding environmental compliance.

Mark Hunter

UGL Safety Advisor

APPENDIX C – APRIL PROJECT PROGRAMME

There was a significant review of the project undertaken during this period to confirm the schedule.

QUESTIONS & STATEMENTS

CLOSURE OF MEETING TO THE PUBLIC **(Confidential Reports)**