



20th February 2015

## NOTICE OF MEETING OF THE COUNCIL

The meeting of the Council will be held at

**LOCKHART SHIRE COUNCIL OFFICES  
GREEN STREET, LOCKHART**

on

**WEDNESDAY, 25th FEBRUARY 2015 at 1.30 pm**

### TIMETABLE

**9.30 am - TOUR LEAVING FROM LOCKHART OFFICE**

**12.30 pm - LIGHT LUNCH**

**1.30 pm - COUNCIL MEETING followed by**

**WORKSHOP on DRAFT OPERATIONAL PLAN 2015/2016**

Yours faithfully

A handwritten signature in black ink, appearing to read "G J Haley", is written over a light blue background.

G J Haley  
GENERAL MANAGER



# \* AGENDA \*

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# **GENERAL MANAGER'S REPORT TO THE COUNCIL**

## **BUSINESS WITH NOTICE**

20<sup>th</sup> February 2015

The Chairperson and Councillors:

### **1. FINANCIAL STATEMENTS - LIST OF INVESTMENTS**

***RECOMMENDED*** that the report detailing Council's external investments for the months of December 2014 and January 2015 be received.

- 
- Investments December 2014
  - Investments January 2015

## Monthly Investment Report as at 31/12/14

### a) Council's Investments as at 31/12/14

| Investment                  | Inception Date | Term (Days) | Maturity Date | S&P Rating | Interest Rate (%) | Performance Benchmark | Benchmark Rate (%) | Percentage of Portfolio | Principal Value        | Market Value           |
|-----------------------------|----------------|-------------|---------------|------------|-------------------|-----------------------|--------------------|-------------------------|------------------------|------------------------|
| <b>Term Deposits</b>        |                |             |               |            |                   |                       |                    |                         |                        |                        |
| Bank of Queensland          | 25/11/2014     | 212         | 25/06/15      | A-2        | 3.50              | BBSW                  | 2.64               | 8.247%                  | \$2,500,000.00         | \$2,500,000.00         |
| ME Bank                     | 5/06/2014      | 364         | 04/06/15      | A-2        | 3.72              | BBSW                  | 2.64               | 8.247%                  | \$2,500,000.00         | \$2,500,000.00         |
| Westpac                     | 28/01/2014     | 365         | 28/01/15      | A-1+       | 3.76              | BBSW                  | 2.64               | 16.493%                 | \$5,000,000.00         | \$5,000,000.00         |
| ING                         | 2/12/2014      | 182         | 02/06/15      | A-2        | 3.55              | BBSW                  | 2.64               | 8.247%                  | \$2,500,000.00         | \$2,500,000.00         |
| Bank of Queensland          | 11/11/2014     | 182         | 12/05/15      | A-2        | 3.50              | BBSW                  | 2.64               | 8.247%                  | \$2,500,000.00         | \$2,500,000.00         |
| Bank of Queensland          | 26/08/2014     | 182         | 24/02/15      | A-2        | 3.61              | BBSW                  | 2.64               | 3.299%                  | \$1,000,000.00         | \$1,000,000.00         |
| AMP                         | 23/07/2014     | 181         | 20/01/15      | A-1        | 3.50              | BBSW                  | 2.64               | 3.299%                  | \$1,000,000.00         | \$1,000,000.00         |
| National Australia Bank     | 27/11/2014     | 181         | 27/05/15      | A-1+       | 3.58              | BBSW                  | 2.64               | 6.597%                  | \$2,000,000.00         | \$2,000,000.00         |
| National Australia Bank     | 2/10/2014      | 182         | 02/04/15      | A-1+       | 3.58              | BBSW                  | 2.64               | 6.597%                  | \$2,000,000.00         | \$2,000,000.00         |
| National Australia Bank     | 3/09/2014      | 365         | 03/09/15      | A-1+       | 3.70              | BBSW                  | 2.64               | 6.597%                  | \$2,000,000.00         | \$2,000,000.00         |
| ME Bank                     | 3/09/2014      | 181         | 03/03/15      | A-2        | 3.56              | BBSW                  | 2.64               | 1.649%                  | \$500,000.00           | \$500,000.00           |
|                             |                |             |               |            |                   |                       |                    | <b>77.52%</b>           | <b>\$23,500,000.00</b> | <b>\$23,500,000.00</b> |
| <b>Cash Deposit Account</b> |                |             |               |            |                   |                       |                    |                         |                        |                        |
| T Corp                      |                |             |               | A-1+       | 2.85              | Cash Rate             | 2.50               | 10.28%                  | \$3,115,506.55         | \$3,115,506.55         |
| AMP                         |                |             |               | A-1        | 3.15              | Cash Rate             | 2.50               | 12.087%                 | \$3,664,409.72         | \$3,664,409.72         |
| National Australia Bank     |                |             |               | A-1+       | 2.75              | Cash Rate             | 2.50               | 0.119%                  | \$36,060.00            | \$36,060.00            |
|                             |                |             |               |            |                   |                       |                    | <b>22.48%</b>           | <b>\$6,815,976.27</b>  | <b>\$6,815,976.27</b>  |
| <b>TOTAL INVESTMENTS</b>    |                |             |               |            |                   |                       |                    | <b>100.00%</b>          | <b>\$30,315,976.27</b> | <b>\$30,315,976.27</b> |
| Cash at Bank                |                |             |               |            |                   |                       |                    |                         |                        | \$435,366.08           |
| <b>TOTAL FUNDS</b>          |                |             |               |            |                   |                       |                    |                         |                        | <b>\$30,751,342.35</b> |

**b) Application of Investment Funds**

| Restricted Funds      | Description                              | Value                  |
|-----------------------|--|------------------------|
| Externally Restricted | LIRS Loan Funds                          | \$10,978,509.61        |
|                       |  | <u>\$10,978,509.61</u> |
| Internally Restricted | Employee Leave Entitlements (30% of ELE) | \$994,501.67           |
|                       | Asset Replacement                        | \$942,215.95           |
|                       | Loan Funds                               | \$0.00                 |
|                       | Sales Fluctuation                        | \$6,100,000.00         |
|                       |  | <u>\$8,036,717.62</u>  |
| Unrestricted Funds    |  | \$11,736,115.12        |
| <b>TOTAL FUNDS</b>    |  | <b>\$30,751,342.35</b> |

\* 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 31/1/15

### a) Council's Investments as at 31/1/15

| Investment                  | Inception Date | Term (Days) | Maturity Date | S&P Rating | Interest Rate (%) | Performance Benchmark | Benchmark Rate (%) | Percentage of Portfolio | Principal Value        | Market Value           |
|-----------------------------|----------------|-------------|---------------|------------|-------------------|-----------------------|--------------------|-------------------------|------------------------|------------------------|
| <b>Term Deposits</b>        |                |             |               |            |                   |                       |                    |                         |                        |                        |
| Bank of Queensland          | 25/11/2014     | 212         | 25/06/15      | A-2        | 3.50              | BBSW                  | 2.63               | 8.045%                  | \$2,500,000.00         | \$2,500,000.00         |
| ME Bank                     | 5/06/2014      | 364         | 04/06/15      | A-2        | 3.72              | BBSW                  | 2.64               | 8.045%                  | \$2,500,000.00         | \$2,500,000.00         |
| ME Bank                     | 29/01/2015     | 180         | 28/07/15      | A-2        | 3.40              | BBSW                  | 2.63               | 16.091%                 | \$5,000,000.00         | \$5,000,000.00         |
| ING                         | 2/12/2014      | 182         | 02/06/15      | A-2        | 3.55              | BBSW                  | 2.63               | 8.045%                  | \$2,500,000.00         | \$2,500,000.00         |
| Bank of Queensland          | 11/11/2014     | 182         | 12/05/15      | A-2        | 3.50              | BBSW                  | 2.63               | 8.045%                  | \$2,500,000.00         | \$2,500,000.00         |
| Bank of Queensland          | 26/08/2014     | 182         | 24/02/15      | A-2        | 3.61              | BBSW                  | 2.63               | 3.218%                  | \$1,000,000.00         | \$1,000,000.00         |
| AMP                         | 20/01/2015     | 177         | 16/07/15      | A-1        | 3.40              | BBSW                  | 2.63               | 3.218%                  | \$1,000,000.00         | \$1,000,000.00         |
| National Australia Bank     | 27/11/2014     | 181         | 27/05/15      | A-1+       | 3.58              | BBSW                  | 2.63               | 6.436%                  | \$2,000,000.00         | \$2,000,000.00         |
| National Australia Bank     | 2/10/2014      | 182         | 02/04/15      | A-1+       | 3.58              | BBSW                  | 2.63               | 6.436%                  | \$2,000,000.00         | \$2,000,000.00         |
| National Australia Bank     | 3/09/2014      | 365         | 03/09/15      | A-1+       | 3.70              | BBSW                  | 2.64               | 6.436%                  | \$2,000,000.00         | \$2,000,000.00         |
| ME Bank                     | 3/09/2014      | 181         | 03/03/15      | A-2        | 3.56              | BBSW                  | 2.63               | 1.609%                  | \$500,000.00           | \$500,000.00           |
|                             |                |             |               |            |                   |                       |                    | <b>75.63%</b>           | <b>\$23,500,000.00</b> | <b>\$23,500,000.00</b> |
| <b>Cash Deposit Account</b> |                |             |               |            |                   |                       |                    |                         |                        |                        |
| T Corp                      |                |             |               | A-1+       | 2.86              | Cash Rate             | 2.25               | 10.05%                  | \$3,123,507.35         | \$3,123,507.35         |
| AMP                         |                |             |               | A-1        | 3.15              | Cash Rate             | 2.25               | 14.206%                 | \$4,414,409.72         | \$4,414,409.72         |
| National Australia Bank     |                |             |               | A-1+       | 2.75              | Cash Rate             | 2.25               | 0.116%                  | \$36,060.00            | \$36,060.00            |
|                             |                |             |               |            |                   |                       |                    | <b>24.37%</b>           | <b>\$7,573,977.07</b>  | <b>\$7,573,977.07</b>  |
| <b>TOTAL INVESTMENTS</b>    |                |             |               |            |                   |                       |                    | <b>100.00%</b>          | <b>\$31,073,977.07</b> | <b>\$31,073,977.07</b> |
| Cash at Bank                |                |             |               |            |                   |                       |                    |                         |                        | \$693,562.33           |
| <b>TOTAL FUNDS</b>          |                |             |               |            |                   |                       |                    |                         |                        | <b>\$31,767,539.40</b> |

**b) Application of Investment Funds**

| Restricted Funds      | Description                              | Value                  |
|-----------------------|--|------------------------|
| Externally Restricted | LIRS Loan Funds                          | \$10,978,509.61        |
|                       |  | <u>\$10,978,509.61</u> |
| Internally Restricted | Employee Leave Entitlements (30% of ELE) | \$994,501.67           |
|                       | Asset Replacement                        | \$942,215.95           |
|                       | Loan Funds                               | \$0.00                 |
|                       | Sales Fluctuation                        | \$6,100,000.00         |
|                       |  | <u>\$8,036,717.62</u>  |
| Unrestricted Funds    |  | \$12,752,312.17        |
| <b>TOTAL FUNDS</b>    |  | <b>\$31,767,539.40</b> |

\* 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 31ST DECEMBER 2014

**RECOMMENDATION** that the Quarterly Budget Review for the period ended 31st December 2014 be received and adopted.

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The Quarterly Review of Council's Budget for the period ended 31 December 2014 is submitted for examination by the Council.

The anticipated operating result for 2014/2015 is a surplus of \$6,763,000. The operating result was originally budgeted for a surplus of \$4,533,000. A quarterly budget review adjustment increase of \$2,250,000 is recommended. This is for additional water sales income due to hot weather, an insurance settlement received on a fidelity guarantee claim and additional interest income to be earned on cash investments held due to additional water sales and deferred capital expenditure.

Also included is a quarterly review of capital projects. A reduction in the capital budget of \$10,385,000 is recommended, mainly attributed to deferred expenditure for the water treatment plant project. Further detail is included in the quarterly review report. 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 – 31st December 2014**

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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 31/12/14 indicates that Council's projected financial position at 30/6/15 will be satisfactory at year end, having regard to the projected estimates of income and expenditure and the original budgeted income and expenditure.

**Signed:** M. L. Curran .

**date:** 10/02/2015

Ms Michele Curran  
Responsible Accounting Officer

**Income & Expenses Budget Review Statement**

Budget review for the quarter ended 31 December 2014

| (\$000's)   | Original Budget 2014/15 | Approved Changes Sep QBRS | Revised Budget 2014/15 | Variations for this Dec Qtr | Notes | Projected Year End Result | Current Year       | Prior Year         |
|---|-------------------------|---------------------------|------------------------|-----------------------------|-------|---------------------------|--------------------|--------------------|
|   |                         |                           |                        |                             |       |                           | Actual YTD figures | Actual YTD figures |
| <b>Income</b>   |                         |                           |                        |                             |       |                           |                    |                    |
| Rates and Annual Charges                              | 4,821                   |                           | 4,821                  |                             |       | 4,821                     | 2,504              | 2,225              |
| User Charges and Fees                                 | 17,555                  |                           | 17,555                 | 1,200                       | 2a    | 18,755                    | 7,662              | 6,613              |
| Interest and Investment Revenues                      | 400                     |                           | 400                    | 850                         | 2b    | 1,250                     | 596                | 240                |
| Other Revenues  | 119                     |                           | 119                    | 200                         | 2c    | 319                       | 348                | 109                |
| Grants & Contributions - Operating                    | 195                     |                           | 195                    |                             |       | 195                       | 3                  | 57                 |
| Grants & Contributions - Capital                      | 2,300                   |                           | 2,300                  | 520                         | 2d    | 2,820                     | 1,483              | 1,070              |
| <b>Total Income from Continuing Operations</b>        | <b>25,390</b>           | <b>-</b>                  | <b>25,390</b>          | <b>2,770</b>                |       | <b>28,160</b>             | <b>12,596</b>      | <b>10,314</b>      |
| <b>Expenses</b>                                       |                         |                           |                        |                             |       |                           |                    |                    |
| Employee Costs  | 7,826                   | 20                        | 7,846                  |                             |       | 7,846                     | 3,444              | 2,877              |
| Borrowing Costs                                       | 387                     |                           | 387                    | 520                         | 2e    | 907                       | 358                | 258                |
| Materials & Contracts                                 | 2,344                   |                           | 2,344                  |                             |       | 2,344                     | 1,478              | 1,405              |
| Depreciation  | 6,800                   |                           | 6,800                  |                             |       | 6,800                     | 3,338              | 3,292              |
| Other Expenses  | 3,500                   |                           | 3,500                  |                             |       | 3,500                     | 1,359              | 1,434              |
| <b>Total Expenses from Continuing Operations</b>      | <b>20,857</b>           | <b>20</b>                 | <b>20,877</b>          | <b>520</b>                  |       | <b>21,397</b>             | <b>9,977</b>       | <b>9,266</b>       |
| <b>Net Operating Result from Continuing Operation</b> | <b>4,533</b>            | <b>(20)</b>               | <b>4,513</b>           | <b>2,250</b>                |       | <b>6,763</b>              | <b>2,619</b>       | <b>1,048</b>       |
| <b>Net Operating Result before Capital Items</b>      | <b>2,233</b>            | <b>(20)</b>               | <b>2,213</b>           | <b>1,730</b>                |       | <b>3,943</b>              | <b>1,136</b>       | <b>(22)</b>        |

**Income & Expenses Budget Review Statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

**Notes Details**

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2a Additional water sales due to hot weather

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2b Additional interest income due to cash on hand from WTP project spending deferral & additional water sales

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2c Increase for fidelity guarantee insurance settlement

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2d Reallocate interest rate subsidy to income instead of reduction of interest expense

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2e Reallocate interest rate subsidy to income instead of reduction of interest expense

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**Capital Budget Review Statement**

Budget review for the quarter ended 31 December 2014

| (\$000's)                                      | Original Budget 2014/15 | Approved Changes Carry Forwards | Revised Budget 2014/15 | Variations for this Dec Qtr | Notes | Projected Year End Result | Current Year       | Prior Year         |
|--|-------------------------|---------------------------------|------------------------|-----------------------------|-------|---------------------------|--------------------|--------------------|
|  |                         |                                 |                        |                             |       |                           | Actual YTD figures | Actual YTD figures |
| <b>Capital Expenditure</b>                     |                         |                                 |                        |                             |       |                           |                    |                    |
| Plant & Equipment                              | 1,307                   |                                 | 1,307                  | (200)                       | 3b    | 1,107                     | 461                | 317                |
| Office Equipment & IT                          | 673                     | 114                             | 787                    |                             |       | 787                       | 204                | 101                |
| Land & Buildings                               | 4,066                   | 113                             | 4,179                  | (400)                       | 3c    | 3,779                     | 211                | 73                 |
| Water Infrastructure                           | 20,704                  | 1,638                           | 22,342                 | (9,785)                     | 3a    | 12,557                    | 5,110              | 2,115              |
| Other Assets                                   | -                       |                                 | -                      |                             |       | -                         | -                  | 173                |
| Loan Repayments (Principal)                    | 1,529                   |                                 | 1,529                  |                             |       | 1,529                     | 658                | 624                |
| <b>Total Capital Expenditure</b>               | <b>28,279</b>           | <b>1,865</b>                    | <b>30,144</b>          | <b>(10,385)</b>             |       | <b>19,759</b>             | <b>6,644</b>       | <b>3,403</b>       |
| <b>Capital Funding</b>                         |                         |                                 |                        |                             |       |                           |                    |                    |
| Rates & Other Untied Funding                   | 28,279                  | 1,865                           | 30,144                 | (10,385)                    |       | 19,759                    | 6,644              | 3,403              |
| New Loans                                      | -                       |                                 | -                      |                             |       | -                         | -                  | -                  |
| <b>Total Capital Funding</b>                   | <b>28,279</b>           | <b>1,865</b>                    | <b>30,144</b>          | <b>(10,385)</b>             |       | <b>19,759</b>             | <b>6,644</b>       | <b>3,403</b>       |
| <b>Net Capital Funding - Surplus/(Deficit)</b> | <b>-</b>                | <b>-</b>                        | <b>-</b>               | <b>-</b>                    |       | <b>-</b>                  | <b>-</b>           | <b>-</b>           |

**Capital Budget Review Statement**  
**Recommended changes to revised budget**

Budget Variations being recommended include the following material items:

**Notes Details**

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

|    |  |
|----|--|
| 3a | Majority of \$10M reduction in capital budget is due to a \$8M deferral of the water treatment plant project expenditure to 2015/16. \$241k additional expenditure has been added to the Hammond Ave mains works, bringing to account the RMS contribution towards works received during 2013/14. \$443k Urana water treatment plant project has been deferred due to staffing. \$1.3M Shires reservoir project has been deferred due to ongoing land matters. |
|----|--|

|    |  |
|----|--|
| 3b | \$125k plant replacement deferral. \$70k RTU work deferral |
|----|--|

|    |  |
|----|--|
| 3c | \$400k levee project work deferral due to ongoing land matters |
|----|--|

## Cash &amp; Investments Budget Review Statement

Budget review for the quarter ended 31 December 2014

| (\$000's)  | Original<br>Budget<br>2014/15 | Approved Changes  |             | Revised<br>Budget<br>2014/15 | Variations<br>for this<br>Dec Qtr | Notes | Projected<br>Year End<br>Result | Actual<br>YTD<br>figures |
|--|-------------------------------|-------------------|-------------|------------------------------|-----------------------------------|-------|---------------------------------|--------------------------|
|  |                               | Carry<br>Forwards | Sep<br>QBRs |                              |                                   |       |                                 |                          |
| <b>Externally Restricted</b> <sup>(1)</sup>                      |                               |                   |             |                              |                                   |       |                                 |                          |
| Loan Funds - LIRS  | -                             |                   |             | -                            | 7,750                             | 4a    | 7,750                           | 10,979                   |
| <b>Total Externally Restricted</b>                               | -                             | -                 | -           | -                            | <b>7,750</b>                      |       | <b>7,750</b>                    | <b>10,979</b>            |
| (1) Funds that must be spent for a specific purpose              |                               |                   |             |                              |                                   |       |                                 |                          |
| <b>Internally Restricted</b> <sup>(2)</sup>                      |                               |                   |             |                              |                                   |       |                                 |                          |
| Employee Leave Entitlements                                      | 1,030                         |                   |             | 1,030                        |                                   |       | 1,030                           | 995                      |
| Asset Replacement  | 1,766                         |                   |             | 1,766                        |                                   |       | 1,766                           | 942                      |
| Sales Fluctuation  | 6,100                         |                   |             | 6,100                        |                                   |       | 6,100                           | 6,100                    |
| <b>Total Internally Restricted</b>                               | <b>8,896</b>                  | -                 | -           | <b>8,896</b>                 | -                                 |       | <b>8,896</b>                    | <b>8,037</b>             |
| (2) Funds that Council has earmarked for a specific purpose      |                               |                   |             |                              |                                   |       |                                 |                          |
| <b>Unrestricted</b> (ie. available after the above Restrictions) | 5,129                         | (1,865)           | 20          | 3,284                        | 4,342                             | 4a    | 7,626                           | 11,735                   |
| <b>Total Cash &amp; Investments</b>                              | <b>14,025</b>                 | <b>(1,865)</b>    | <b>20</b>   | <b>12,180</b>                | <b>12,092</b>                     |       | <b>24,272</b>                   | <b>30,751</b>            |

## 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 2013/14 end of year final results. December quarterly review has deferred expenditure on the water treatment plant project and water sales are expected to be higher than budgeted due to hot weather. The 2014/15 anticipated end of year balance is expected to be higher than initially budgeted.

### 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 03/01/15

### Reconciliation Status

|   |                     |                 |
|---|---------------------|-----------------|
| The YTD Cash & Investment figure reconciles to the actual balances held as follows: |                     | <b>\$ 000's</b> |
| Cash at Bank (as per bank statements)   |                     | 406             |
| Investments on Hand   |                     | 30,316          |
| less: Unpresented Cheques   | (Timing Difference) | (3)             |
| add: Undeposited Funds  | (Timing Difference) | 32              |
| <b>Reconciled Cash at Bank &amp; Investments</b>                                    |                     | <b>30,751</b>   |
| <b>Balance as per Review Statement:</b>   |                     | <b>30,751</b>   |
| Difference:   |                     | -               |

### Recommended changes to revised budget

Budget Variations being recommended include the following material items:

| <b>Notes</b> | <b>Details</b>   |
|--------------|--|
| 4a           | Deferred capital expenditure on water treatment plant project and additional water sales due to hot weather. |

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

Budget review for the quarter ended 31 December 2014

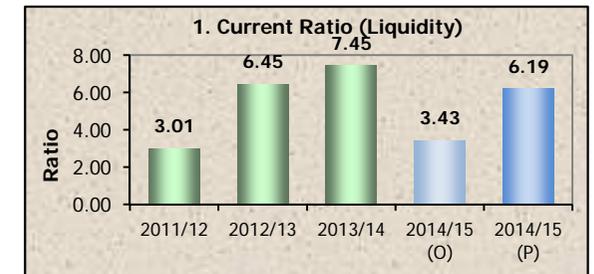
| (\$000's) | Current Projection |           | Original Budget<br>14/15 | Actuals<br>Prior Periods |       |
|-----------|--------------------|-----------|--------------------------|--------------------------|-------|
|           | Amounts            | Indicator |                          | 13/14                    | 12/13 |
|           | 14/15              | 14/15     |                          |                          |       |

The Council monitors the following Key Performance Indicators:

**1. Current Ratio (Liquidity)**

|                     |       |      |      |      |      |
|---------------------|-------|------|------|------|------|
| Current Assets      | 31609 | 6.19 | 3.43 | 7.45 | 6.45 |
| Current Liabilities | 5108  |      |      |      |      |

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



**2. Debt Service Ratio**

|                                   |       |        |        |        |        |
|-----------------------------------|-------|--------|--------|--------|--------|
| Debt Service Cost                 | 907   | 3.22 % | 3.57 % | 3.38 % | 1.56 % |
| Income from Continuing Operations | 28160 |        |        |        |        |

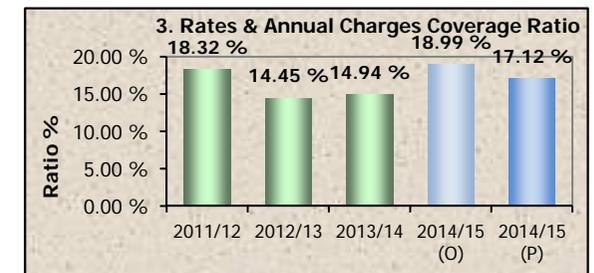
This measures Council's ability to meet interest payments and therefore service debt. (target 0% to 5%)



**3. Rates & Annual Charges Coverage Ratio**

|                                   |       |         |         |         |         |
|-----------------------------------|-------|---------|---------|---------|---------|
| Rates & Annual Charges            | 4821  | 17.12 % | 18.99 % | 14.94 % | 14.45 % |
| Income from Continuing Operations | 28160 |         |         |         |         |

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 December 2014

| (\$000's) | Current Projection |           | Original Budget<br>14/15 | Actuals<br>Prior Periods |       |
|-----------|--------------------|-----------|--------------------------|--------------------------|-------|
|           | Amounts            | Indicator |                          | 13/14                    | 12/13 |
|           | 14/15              | 14/15     |                          |                          |       |

The Council monitors the following Key Performance Indicators:

**4. Capital Replacement Ratio**

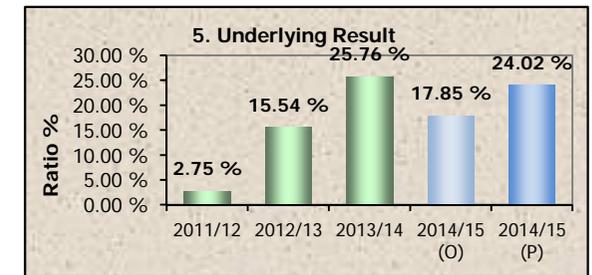
|   |       |      |      |      |      |
|---|-------|------|------|------|------|
| Infrastructure, Property, Plant & Equipment | 18230 | 2.68 | 3.93 | 0.94 | 0.82 |
| Depreciation                                | 6800  |      |      |      |      |

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    | 6763  | 24.02 % | 17.85 % | 25.76 % | 15.54 % |
| Total Revenue | 28160 |         |         |         |         |

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 December 2014

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

| <b>Contractor</b>              | <b>Contract detail &amp; purpose</b>   | <b>Contract Value</b> | <b>Start Date</b> | <b>Duration of Contract</b> | <b>Budgeted (Y/N)</b> | <b>Notes</b> |
|--------------------------------|--|-----------------------|-------------------|-----------------------------|-----------------------|--------------|
| Norwood Farm Machinery Centre  | JCB 3CX APC Elite Backhoe              | 146,650               | 25/11/2014        | N/A                         | Y                     |              |
| DTD Engineering Pty Ltd        | Construct Mangoplah elevated reservoir | 247,605               | 17/12/2014        | 4 months                    | Y                     |              |
| Pentair                        | 6300m DICL pipe                        | 982,800               | 17/12/2014        | 6 months                    | Y/N                   | 6a           |
| Vinidex                        | 7500m oPVC pipe                        | 185,000               | 17/12/2014        | 3 months                    | Y                     |              |
| LearningSeat                   | Learning management system             | 51,000                | 1/07/2015         | 36 months                   | N                     | 6b           |
| Capital Construction Equipment | Kobelco Excavator and plant trailer    | 63,363                | 11/11/2014        | N/A                         | 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

**Contracts Budget Review Statement**  
**Comments & Explanations relating to Contractors Listing**

**Notes Details**

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6a \$664k of pipe ordered relates to 2015/16 projects

6b Online learning system purchased - development stage during 2014/15, ongoing licencing fees in future 3 years

**Consultancy & Legal Expenses Budget Review Statement**

## Consultancy &amp; Legal Expenses Overview

| <b>Expense</b> | <b>YTD Expenditure<br/>(Actual Dollars)</b> | <b>Budgeted<br/>(Y/N)</b> |
|----------------|---|---------------------------|
| Consultancies  | 3,699                                       | Y                         |
| Legal Fees     | 105,089                                     | 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**

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N/A

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## Riverina Water County Council

### BALANCE SHEET

|   | Actual<br>2012/13<br>\$'000 | Actual<br>2013/14<br>\$'000 | Projected<br>2014/15<br>\$'000 |
|---|-----------------------------|-----------------------------|--------------------------------|
| <b>ASSETS</b>                               |                             |                             |                                |
| <b>Current Assets</b>                       |                             |                             |                                |
| Cash & Cash Equivalents                     | 10,271                      | 10,318                      | 2,772                          |
| Investments                                 | 15,000                      | 21,500                      | 21,500                         |
| Receivables                                 | 2,820                       | 3,120                       | 3,050                          |
| Inventories                                 | 3,833                       | 3,556                       | 4,127                          |
| Other                                       | 49                          | -                           | 160                            |
| <b>Total Current Assets</b>                 | <b>31,973</b>               | <b>38,494</b>               | <b>31,609</b>                  |
| <b>Non-Current Assets</b>                   |                             |                             |                                |
| Infrastructure, Property, Plant & Equipment | 194,548                     | 198,717                     | 210,710                        |
| Intangible Assets                           | 1,550                       | 2,100                       | 2,100                          |
| <b>Total Non-Current Assets</b>             | <b>196,098</b>              | <b>200,817</b>              | <b>212,810</b>                 |
| <b>TOTAL ASSETS</b>                         | <b>228,071</b>              | <b>239,311</b>              | <b>244,419</b>                 |
| <b>LIABILITIES</b>                          |                             |                             |                                |
| <b>Current Liabilities</b>                  |                             |                             |                                |
| Payables                                    | 695                         | 513                         | 724                            |
| Borrowings                                  | 1,272                       | 1,341                       | 1,555                          |
| Provisions                                  | 2,987                       | 3,315                       | 2,829                          |
| <b>Total Current Liabilities</b>            | <b>4,954</b>                | <b>5,169</b>                | <b>5,108</b>                   |
| <b>Non-Current Liabilities</b>              |                             |                             |                                |
| Borrowings                                  | 16,515                      | 15,172                      | 13,199                         |
| Provisions                                  | -                           | -                           | 378                            |
| <b>Total Non-Current Liabilities</b>        | <b>16,515</b>               | <b>15,172</b>               | <b>13,578</b>                  |
| <b>TOTAL LIABILITIES</b>                    | <b>21,469</b>               | <b>20,341</b>               | <b>18,686</b>                  |
| <b>Net Assets</b>                           | <b>206,602</b>              | <b>218,970</b>              | <b>225,733</b>                 |
| <b>EQUITY</b>                               |                             |                             |                                |
| Retained Earnings                           | 66,205                      | 73,598                      | 80,361                         |
| Revaluation Reserves                        | 140,397                     | 145,372                     | 145,372                        |
| Council Equity Interest                     | 206,602                     | 218,970                     | 225,733                        |
| <b>Total Equity</b>                         | <b>206,602</b>              | <b>218,970</b>              | <b>225,733</b>                 |

**Note on Cash & Cash equivalents:**

\*\*\* \$15m loan funds for LIRS re Wagga WTP taken up in 2012/13 - loan interest rate 5.49%, subsidy 4%

Unspent loan held in investment reserves earning average interest rate of 3.6%

Riverina Water County Council

OPERATING SUMMARY - DECEMBER 2014 REVIEW

| OPERATING SUMMARY                           | YTD ACTUAL<br>\$'000 | CURRENT<br>BUDGET \$'000 | REMAINING<br>\$'000 | % AVAILABLE | 30/9/14 REVIEW<br>ADJUSTMENT | REVISED<br>BUDGET \$'000 | REVIEW ADJUSTMENT COMMENT  |
|---|----------------------|--------------------------|---------------------|-------------|------------------------------|--------------------------|--|
| <b>OPERATING INCOME</b>                     |                      |                          |                     |             |                              |                          |  |
| <b>Access Charges</b>                       |                      |                          |                     |             |                              |                          |  |
| Urban                                       | 2,048                | 3,831                    | 1,783               | 47%         | 0                            | 3,831                    |  |
| Non-Urban                                   | 456                  | 990                      | 534                 | 54%         | 0                            | 990                      |  |
|   | 2,504                | 4,821                    | 2,316               | 48%         | 0                            | 4,821                    |  |
| <b>User Charges</b>                         |                      |                          |                     |             |                              |                          |  |
| <b>Consumption Charges</b>                  |                      |                          |                     |             |                              |                          |  |
| Urban                                       | 6,217                | 13,971                   | 7,755               | 56%         | 1,000                        | 14,971                   | Additional water sales due to hot weather  |
| Non-Urban                                   | 1,162                | 2,911                    | 1,750               | 60%         | 200                          | 3,111                    | Additional water sales due to hot weather  |
|   | 7,378                | 16,883                   | 9,504               | 56%         | 1,200                        | 18,083                   |  |
| <b>Extra Charges</b>                        |                      |                          |                     |             |                              |                          |  |
| Urban                                       | 19                   | 20                       | 1                   | 6%          |                              | 20                       |  |
| Non-Urban                                   | 5                    | 20                       | 15                  | 0%          |                              | 20                       |  |
|   | 23                   | 40                       | 17                  | 42%         | 0                            | 40                       |  |
| <b>Other Income</b>                         | 605                  | 752                      | 147                 | 20%         | 200                          | 952                      | Increase for fidelity guarantee insurance settlement   |
| <b>Interest</b>                             | 596                  | 400                      | -196                | -49%        | 850                          | 1,250                    | Additional interest income due to cash on hand from WTP project spending deferral & additional water sales |
| <b>Operating Grants &amp; Contributions</b> | 3                    | 195                      | 192                 | 99%         |                              | 195                      |  |
| <b>Capital Grants &amp; Contributions</b>   | 1,483                | 2,300                    | 817                 | 36%         | 520                          | 2,820                    | Reallocate interest rate subsidy under income  |
| <b>TOTAL OPERATING INCOME</b>               | <b>12,595</b>        | <b>25,390</b>            | <b>12,709</b>       | <b>50%</b>  | <b>2,770</b>                 | <b>28,160</b>            |  |
| <b>OPERATING EXPENSES</b>                   |                      |                          |                     |             |                              |                          |  |
| <b>Management</b>                           | 3,038                | 6,499                    | 3,461               | 53%         | 520                          | 7,019                    | Reallocate interest rate subsidy to income   |
| <b>Operations &amp; Maintenance</b>         |                      |                          |                     |             |                              |                          |  |
| <i>Buildings &amp; Grounds</i>              |                      |                          |                     |             |                              |                          |  |
| Urban                                       | 254                  | 733                      | 480                 | 65%         | -9                           | 724                      | Reallocate electricity expenses between facilities   |
| Non-Urban                                   | 28                   | 51                       | 23                  | 45%         | 0                            | 51                       |  |
|   | 282                  | 785                      | 503                 | 64%         | -9                           | 776                      |  |

| <b>OPERATING SUMMARY</b>        | <b>YTD ACTUAL<br/>\$'000</b> | <b>CURRENT<br/>BUDGET \$'000</b> | <b>REMAINING<br/>\$'000</b> | <b>% AVAILABLE</b> | <b>30/9/14 REVIEW<br/>ADJUSTMENT</b> | <b>REVISED<br/>BUDGET \$'000</b> | <b>REVIEW ADJUSTMENT COMMENT</b>                   |
|---------------------------------|------------------------------|----------------------------------|-----------------------------|--------------------|--------------------------------------|----------------------------------|--|
| <i>Management - Operations</i>  |                              |                                  |                             |                    |                                      |                                  |  |
| Urban                           | 536                          | 970                              | 434                         | 45%                | 0                                    | 970                              |  |
| Non-Urban                       | 213                          | 400                              | 187                         | 47%                | 0                                    | 400                              |  |
|                                 | 749                          | 1,370                            | 621                         | 45%                | 0                                    | 1,370                            |  |
| <i>Sources</i>                  |                              |                                  |                             |                    |                                      |                                  |  |
| Urban                           | 312                          | 816                              | 505                         | 62%                | 0                                    | 816                              |  |
| Non-Urban                       | 138                          | 225                              | 87                          | 39%                | 2                                    | 227                              | Reallocate electricity expenses between facilities |
|                                 | 449                          | 1,041                            | 592                         | 57%                | 2                                    | 1,043                            |  |
| <i>Pumping Stations</i>         |                              |                                  |                             |                    |                                      |                                  |  |
| Urban                           | 157                          | 426                              | 270                         | 63%                | -40                                  | 386                              | Reallocate electricity expenses between facilities |
| Non-Urban                       | 120                          | 147                              | 27                          | 18%                | 51                                   | 198                              | Reallocate electricity expenses between facilities |
|                                 | 277                          | 574                              | 297                         | 52%                | 11                                   | 585                              |  |
| <i>Reservoirs</i>               |                              |                                  |                             |                    |                                      |                                  |  |
| Urban                           | 102                          | 183                              | 81                          | 44%                | -3                                   | 180                              | Reallocate electricity expenses between facilities |
| Non-Urban                       | 52                           | 72                               | 20                          | 28%                | -1                                   | 71                               | Reallocate electricity expenses between facilities |
|                                 | 154                          | 256                              | 102                         | 40%                | -4                                   | 252                              |  |
| <i>Treatment Plant</i>          |                              |                                  |                             |                    |                                      |                                  |  |
| Urban                           | 612                          | 1,672                            | 1,060                       | 63%                | 0                                    | 1,672                            |  |
| Non-Urban                       | 204                          | 544                              | 340                         | 63%                | 0                                    | 544                              |  |
|                                 | 815                          | 2,216                            | 1,400                       | 63%                | 0                                    | 2,216                            |  |
| <i>Mains &amp; Services</i>     |                              |                                  |                             |                    |                                      |                                  |  |
| Supervision                     | 176                          | 230                              | 54                          | 23%                | 0                                    | 230                              |  |
| Urban                           | 503                          | 1,161                            | 658                         | 57%                | 0                                    | 1,161                            |  |
| Non-Urban                       | 261                          | 656                              | 394                         | 60%                | 0                                    | 656                              |  |
|                                 | 940                          | 2,046                            | 1,106                       | 54%                | 0                                    | 2,046                            |  |
| <i>Other Operations</i>         |                              |                                  |                             |                    |                                      |                                  |  |
|                                 | -65                          | -709                             | -644                        | 91%                |                                      | -709                             |  |
| <b>Depreciation</b>             | 3,338                        | 6,800                            | 3,462                       | 51%                |                                      | 6,800                            |  |
| <b>TOTAL OPERATING EXPENSES</b> | <b>9,977</b>                 | <b>20,877</b>                    | <b>10,900</b>               | <b>52%</b>         | <b>520</b>                           | <b>21,397</b>                    |  |
| <b>OPERATING RESULT</b>         | <b>2,618</b>                 | <b>4,513</b>                     |                             |                    | <b>2,250</b>                         | <b>6,763</b>                     |  |

**31 DECEMBER 2014 CAPITAL EXPENDITURE QUARTERLY REVIEW**

| Description   | Current Budget<br>2014/15 | YTD Actual 2014/15 | Budget Remaining | Original Budget<br>2014/15 | 2013/14 Carry<br>Overs | 31/12/14 QBR    | Proposed Revised<br>Budget 2014/15 | Comment  |
|---|---------------------------|--------------------|------------------|----------------------------|------------------------|-----------------|------------------------------------|--|
|   | \$                        | \$                 | \$               | \$                         | \$                     | \$              | \$                                 |  |
| <b>MANAGEMENT</b>   |                           |                    |                  |                            |                        |                 |                                    |  |
| <b>LAND &amp; BUILDINGS FOR ADMIN. DEPOTS AND WORKSHOPS</b>             |                           |                    |                  |                            |                        |                 |                                    |  |
| Administration Office   | 15,000                    | 372                | 14,628           | 15,000                     | 0                      | 0               | 15,000                             |  |
| Depot Buildings   | 3,515,000                 | 127,617            | 3,387,383        | 3,515,000                  | 0                      | 0               | 3,515,000                          |  |
| Workshops   | 10,000                    | 5,510              | 4,490            | 10,000                     | 0                      | 0               | 10,000                             |  |
| Access, Parking and Landscaping   | 639,000                   | 77,586             | 561,414          | 526,000                    | 113,000                | -400,000        | 239,000                            | Levee works deferral   |
| <b>SUB-TOTAL LAND &amp; BUILDINGS FOR ADMIN, DEPOTS &amp; WORKSHOPS</b> | <b>4,179,000</b>          | <b>211,084</b>     | <b>3,967,916</b> | <b>4,066,000</b>           | <b>113,000</b>         | <b>-400,000</b> | <b>3,779,000</b>                   |  |
| <b>PLANT &amp; EQUIPMENT</b>  |                           |                    |                  |                            |                        |                 |                                    |  |
| IT Equipment  | 336,500                   | 108,767            | 227,733          | 336,500                    | 0                      | -5,000          | 331,500                            | Genset plug project not to commence                          |
| Office Furniture & Equipment  | 3,000                     | 2,744              | 256              | 3,000                      | 0                      | 0               | 3,000                              |  |
| Working Plant & Vehicle Purchases                                       | 1,275,000                 | 454,453            | 820,547          | 1,275,000                  | 0                      | -125,000        | 1,150,000                          | Deferral of plant replacements                               |
| Fixed Plant Tools & Equipment   | 32,000                    | 6,347              | 25,653           | 32,000                     | 0                      | 0               | 32,000                             |  |
| Telemetry & Control Systems Upgrade                                     | 135,000                   | 76,285             | 58,715           | 135,000                    | 0                      | 0               | 135,000                            |  |
| Radio Communications Upgrade/Replacements/Improvements                  | 20,000                    | 0                  | 20,000           | 20,000                     | 0                      | -10,000         | 10,000                             | Reduction in budget requirement                              |
| RTUs - New/Additional   | 20,000                    | 5,937              | 14,063           | 20,000                     | 0                      | 0               | 20,000                             |  |
| RTUs - Replacements/Upgrades  | 46,000                    | 0                  | 46,000           | 46,000                     | 0                      | -20,000         | 26,000                             | Reduction in budget requirement                              |
| Energy Efficiency & Cost Minimisation                                   | 70,000                    | 0                  | 70,000           | 70,000                     | 0                      | -40,000         | 30,000                             | Reduction in budget requirement                              |
| CAD/GIS/Asset Management System   | 100,000                   | 10,000             | 90,000           | 10,000                     | 90,000                 | 0               | 100,000                            |  |
| Communication Equipment   | 56,000                    | 0                  | 56,000           | 32,000                     | 24,000                 | 0               | 56,000                             |  |
| <b>SUB-TOTAL PLANT &amp; EQUIPMENT</b>                                  | <b>2,093,500</b>          | <b>664,533</b>     | <b>1,428,967</b> | <b>1,979,500</b>           | <b>114,000</b>         | <b>-200,000</b> | <b>1,893,500</b>                   |  |
| <b>TOTAL MANAGEMENT</b>   | <b>6,272,500</b>          | <b>875,617</b>     | <b>5,396,883</b> | <b>6,045,500</b>           | <b>227,000</b>         | <b>-600,000</b> | <b>5,672,500</b>                   |  |
| <b>SOURCES</b>  |                           |                    |                  |                            |                        |                 |                                    |  |
| Bores-renew/refurbish/decommission                                      | 338,000                   | 252,951            | 85,049           | 75,000                     | 263,000                | 7,000           | 345,000                            | Additional budget required for Wagga Bore motor              |
| Source Works General Improvements                                       | 10,000                    | 0                  | 10,000           | 10,000                     |                        |                 | 10,000                             |  |
| Switchboards Improvements/Replacements                                  | 5,000                     | 9,706              | -4,706           | 5,000                      |                        | 5,000           | 10,000                             |  |
| <b>TOTAL SOURCES</b>  | <b>353,000</b>            | <b>262,657</b>     | <b>90,343</b>    | <b>90,000</b>              | <b>263,000</b>         | <b>12,000</b>   | <b>365,000</b>                     |  |
| <b>TREATMENT PLANTS</b>   |                           |                    |                  |                            |                        |                 |                                    |  |
| General Improvements  | 65,000                    | 36                 | 64,964           | 45,000                     | 20,000                 | -60,000         | 5,000                              | Reduction in budget required for Genset plugs & dosing pumps |
| Aeration Tower Replacements   | 132,000                   | 90,860             | 41,140           | 92,000                     | 40,000                 | 0               | 132,000                            |  |
| Aeration Tower Covers   | 50,000                    | 2,869              | 47,131           | 50,000                     | 0                      | 0               | 50,000                             |  |
| Specific Treatment Plant improvements                                   | 58,000                    | 16,417             | 41,583           | 58,000                     | 0                      | -6,000          | 52,000                             | Reduction in budget requirement                              |

| Description  | Current Budget<br>2014/15 | YTD Actual 2014/15 | Budget Remaining | Original Budget<br>2014/15 | 2013/14 Carry<br>Overs | 31/12/14 QBR      | Proposed Revised<br>Budget 2014/15 | Comment  |
|--|---------------------------|--------------------|------------------|----------------------------|------------------------|-------------------|------------------------------------|--|
|  | \$                        | \$                 | \$               | \$                         | \$                     | \$                | \$                                 |  |
| Treatment Plant refurbishments                                   | 10,869,000                | 1,940,469          | 8,928,531        | 10,150,000                 | 719,000                | -8,158,000        | 2,711,000                          | Deferral of water treatment plant expenditure                    |
| Laboratory Equipment   | 6,000                     | 0                  | 6,000            | 6,000                      | 0                      | 0                 | 6,000                              |  |
| Laboratory Facilities Upgrade                                    | 50,000                    | 32,369             | 17,631           | 50,000                     | 0                      | -15,000           | 35,000                             | Reduction in budget required                                     |
| Treatment Plant Switchboards/Control Systems Replacement/Upgrade | 5,000                     | 35,540             | -30,540          | 5,000                      | 0                      | 35,000            | 40,000                             | Additional budget required for East Wagga control system         |
| <b>TOTAL TREATMENT PLANTS</b>                                    | <b>11,235,000</b>         | <b>2,118,559</b>   | <b>9,116,441</b> | <b>10,456,000</b>          | <b>779,000</b>         | <b>-8,204,000</b> | <b>3,031,000</b>                   |  |
| <b>PUMPING STATIONS</b>  |                           |                    |                  |                            |                        |                   |                                    |  |
| General Improvements   | 30,000                    | 7,293              | 22,707           | 30,000                     | 0                      | -21,000           | 9,000                              | Reduction in budget required for Genset plugs                    |
| Magflow Replacements   | 33,000                    | 0                  | 33,000           | 10,000                     | 23,000                 | -33,000           | 0                                  | Remove budget requirement for magflows                           |
| Pump Stations Renewal/Refurbish/Upgrade                          | 220,000                   | 315,350            | -95,350          | 120,000                    | 100,000                | 332,000           | 552,000                            | Additional budget requirement for West Wagga Shires Pump         |
| Pump & Motor Maintenance / Replacements                          | 140,000                   | 27,442             | 112,558          | 140,000                    | 0                      | -40,000           | 100,000                            | Transfer to Wagga Bore motor budget                              |
| Pump Station Switchboards/Control Systems Replacement/Upgrade    | 5,000                     | 0                  | 5,000            | 5,000                      | 0                      | 0                 | 5,000                              |  |
| <b>TOTAL PUMPING STATIONS</b>                                    | <b>428,000</b>            | <b>350,085</b>     | <b>77,915</b>    | <b>305,000</b>             | <b>123,000</b>         | <b>238,000</b>    | <b>666,000</b>                     |  |
| <b>RESERVOIRS</b>  |                           |                    |                  |                            |                        |                   |                                    |  |
| General Improvements   | 28,000                    | 610                | 27,390           | 28,000                     | 0                      | -10,000           | 18,000                             | Reduction in budget requirement                                  |
| New/Replacement Reservoirs                                       | 3,011,000                 | 164,808            | 2,846,192        | 2,850,000                  | 161,000                | -2,101,000        | 910,000                            | Deferral due to land matters re Collingullie & Shires Reservoirs |
| Reservoirs - Refurbish   | 15,000                    | 5,107              | 9,893            | 15,000                     | 0                      | 0                 | 15,000                             |  |
| Reservoirs - Upgrade Ladders and Access                          | 62,000                    | 1,391              | 60,609           | 25,000                     | 37,000                 | -37,000           | 25,000                             | Reduction in budget requirement                                  |
| Reservoir Hatches Magflows                                       | 30,000                    | 0                  | 30,000           | 30,000                     | 0                      | -20,000           | 10,000                             | Reduction in budget requirement                                  |
| Reservoirs - Control Valves & Systems                            | 40,000                    | 52                 | 39,948           | 0                          | 40,000                 | -25,000           | 15,000                             | Reduction in budget requirement                                  |
| <b>TOTAL RESERVOIRS</b>  | <b>3,186,000</b>          | <b>171,968</b>     | <b>3,014,032</b> | <b>2,948,000</b>           | <b>238,000</b>         | <b>-2,193,000</b> | <b>993,000</b>                     |  |
| <b>MAINS, SERVICES &amp; METERS</b>                              |                           |                    |                  |                            |                        |                   |                                    |  |
| System Improvements  | 170,000                   | 8,543              | 161,457          | 170,000                    | 0                      | 0                 | 170,000                            |  |
| Reticulation Mains Extensions                                    | 0                         | 14,816             | -14,816          | 0                          | 0                      | 15,000            | 15,000                             | Additional budget requirement for Vincent Rd                     |
| Reticulation for Developers (including other extensions)         | 860,000                   | 293,026            | 566,974          | 860,000                    | 0                      | 0                 | 860,000                            |  |
| Renew Reticulation Mains   | 625,000                   | 539,587            | 85,413           | 390,000                    | 235,000                | 231,486           | 856,486                            | Hammond Ave works for RMS - contribution received in 2013/14     |
| Renew Trunk Mains  | 4,370,000                 | 1,052,025          | 3,317,975        | 4,370,000                  | 0                      | 316,000           | 4,686,000                          | Southern Trunk works brought forward from 2015/16                |
| <b>SUB-TOTAL MAINS</b>   | <b>6,025,000</b>          | <b>1,907,997</b>   | <b>4,117,003</b> | <b>5,790,000</b>           | <b>235,000</b>         | <b>562,486</b>    | <b>6,587,486</b>                   |  |
| <b>SERVICES</b>  |                           |                    |                  |                            |                        |                   |                                    |  |
| Service Connections, new including Meters                        | 700,000                   | 203,799            | 496,201          | 700,000                    | 0                      | -140,000          | 560,000                            | Reduction due to concentration on mains works                    |
| Renew Services   | 150,000                   | 18,663             | 131,337          | 150,000                    | 0                      | -60,000           | 90,000                             | Reduction due to concentration on mains works                    |
| <b>SUB-TOTAL SERVICES</b>  | <b>850,000</b>            | <b>222,462</b>     | <b>627,538</b>   | <b>850,000</b>             | <b>0</b>               | <b>-200,000</b>   | <b>650,000</b>                     |  |

| Description                               | Current Budget<br>2014/15 | YTD Actual 2014/15 | Budget Remaining  | Original Budget<br>2014/15 | 2013/14 Carry<br>Overs | 31/12/14 QBR       | Proposed Revised<br>Budget 2014/15 | Comment |
|---|---------------------------|--------------------|-------------------|----------------------------|------------------------|--------------------|------------------------------------|---------|
|   | \$                        | \$                 | \$                | \$                         | \$                     | \$                 | \$                                 |         |
| <b>METERS</b>                             |                           |                    |                   |                            |                        |                    |                                    |         |
| Water meters replacement                  | 180,000                   | 59,286             | 120,714           | 180,000                    | 0                      | 0                  | 180,000                            |         |
| Remote metering                           | 10,000                    | 18                 | 9,982             | 10,000                     | 0                      | 0                  | 10,000                             |         |
| Water Filling Stations New                | 75,000                    | 17,141             | 57,859            | 75,000                     | 0                      | 0                  | 75,000                             |         |
| <b>SUB-TOTAL METERS</b>                   | <b>265,000</b>            | <b>76,446</b>      | <b>188,554</b>    | <b>265,000</b>             | <b>0</b>               | <b>0</b>           | <b>265,000</b>                     |         |
| <b>TOTAL MAINS, SERVICES &amp; METERS</b> | <b>7,140,000</b>          | <b>2,206,905</b>   | <b>4,933,095</b>  | <b>6,905,000</b>           | <b>235,000</b>         | <b>362,486</b>     | <b>7,502,486</b>                   |         |
| <b>TOTALS</b>                             | <b>28,614,500</b>         | <b>5,985,792</b>   | <b>22,628,708</b> | <b>26,749,500</b>          | <b>1,865,000</b>       | <b>-10,384,514</b> | <b>18,229,986</b>                  |         |

### 3. OPERATIONAL PLAN – PERFORMANCE TARGETS

**RECOMMENDATION:** That the report detailing progress as at 31 December 2014, achieved towards the various objectives set out in the 2014/2015 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 2014/2015 Operational Plan.

#### Services

| Measure                      | Key Performance Indicator | Progress to 31st December 2014 |
|------------------------------|---------------------------|--------------------------------|
| 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 31st December 2014                       |
|---|---------------------------|--|
| Projects completed from Capital Works Program | >80%                      | N/A – Annual Measure (Refer DoE Report for Progress) |

#### Demand Management

| Measure                          | Key Performance Indicator | Progress to 31st December 2014 |
|----------------------------------|---------------------------|--------------------------------|
| Peak Day Demand (weekly average) | <65 ML                    | 59.4 ML                        |

#### WHS

| Objectives  | Key Performance Indicator | Progress to 31st December 2014 |               |
|---|---------------------------|--------------------------------|---------------|
| Number of days lost through injury                                | < previous period         | Sept Qtr.<br>1                 | Dec Qtr.<br>0 |
| Percentage of sick leave hours to ordinary hours worked           | <3.5%                     | 3.93%                          | 2.83%         |
| Total hours worked compared to time lost through injury & illness | < previous period         | 0.03%                          | 0%            |

## Environmental Protection

| Key Performance Indicator               | Key Performance Indicator | Progress to 31st December 2014 |                             |
|---|---------------------------|--------------------------------|-----------------------------|
| Power used per MI of water produced KWh | < same period last year   | Dec Qtr. 2014<br>930.78 KWh    | Dec Qtr. 2013<br>910.36 KWh |
| Power used per MI of water produced \$  | < same period last year   | \$169.81                       | \$215.06                    |

## Equal Employment Opportunity

| Key Performance Indicator                         | Key Performance Indicator | Progress to 31st December 2014 |
|---|---------------------------|--------------------------------|
| 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 31st December 2014 |
|---|---------------------------|--------------------------------|
| 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. OVERDUE DEBTORS JANUARY 2015

**RECOMMENDATION:** that the following report on overdue debtors for the period ended 31st January 2015 be received and noted.

Council recently requested to be advised of overdue debtor balance figures each Council meeting. Following are details of balances, along with comparative figures for January 2014.

| Debtor Category       | January 2015     | January 2014     |
|-----------------------|------------------|------------------|
| Water Billing Debtors | \$450,391        | \$453,807        |
| Sundry Debtors        | \$ 60,353        | \$ 55,816        |
| <b>TOTAL</b>          | <b>\$510,744</b> | <b>\$509,623</b> |

## 5. AUDIT AND RISK COMMITTEE MINUTES

Author: Phillip Swaffield  
General Manager: Graeme Haley

**RECOMMENDATION** that Council receive and note the minutes of the Audit and Risk Committee Meeting held on 19th February 2015 and endorse the recommendations contained therein.

---

- Minutes of Audit & Risk Committee Meeting 19 February 2015

**MINUTES of the MEETING of AUDIT & RISK COMMITTEE**  
**held at 91 HAMMOND AVENUE, WAGGA WAGGA,**  
**on THURSDAY, 19<sup>th</sup> FEBRUARY 2015 at 9.00 am**

**PRESENT:**

Steven Watson (Chairperson)  
Michael Commins  
Councillor Kevin Poynter  
Councillor Andrew Negline

**IN ATTENDANCE:**

|                                 |                |
|---------------------------------|----------------|
| General Manager                 | Graeme Haley   |
| Manager Internal Audit Services | Stephen Byrns  |
| Director Engineering            | Bede Spannagle |
| Manager Corporate Services      | Michele Curran |
| Internal Audit Officer          | Phil Swaffield |

The meeting of the Audit and Risk Committee commenced at 9:10am.

**1. APOLOGIES**

Apologies for non attendance were moved and accepted for Councillor Councillor Kevin Poynter on the motion of Steven Watson and Michael Commins .

**2. DECLARATIONS OF PECUNIARY INTEREST**

No declarations of Pecuniary & Non-pecuniary interest received.

**PROCEDURAL MOTION - ENGLOBO**

*Recommendation:*

On the motion of A Negline and M Commins

**That the standing orders be varied for the meeting as set out hereunder:**

- **Items where committee members wish to speak**
- **Items where no committee member wish to speak**
- **Confidential**
- **Matter of urgency**
- **Closure of Meeting**

**That items 3, 4, 6 and 16 be adopted as recommended in the business papers.**

**CARRIED**

**3. AUDIT AND RISK COMMITTEE MINUTES**

*Recommendation:*

On the motion of A Negline and M Commins

**That the Minutes of the proceedings of the Audit and Risk Committee meeting held on 20 November 2014 confirmed as a true and accurate record.**

**CARRIED**

#### **4. AUDIT AND RISK COMMITTEE ACTION REGISTER**

***Recommendation:***

On the motion of A Negline and M Commins

**That the Audit and Risk Committee receive and note the report.**

**CARRIED**

#### **5. GENERAL MANAGER'S UPDATE**

***Recommendation:***

On the motion of S Watson and M Commins

**That the Audit and Risk Committee note the verbal briefing provided by General Manager.**

**CARRIED**

#### **6. INVESTMENT REPORTS**

***Recommendation:***

On the motion of A Negline and M Commins

**That the Audit and Risk Committee receive and note the investment reports for the periods 31 December 2014 and 31 January 2015.**

**CARRIED**

#### **7. DRAFT QUARTERLY BUDGET REVIEW PERIOD 30 SEPTEMBER 2014**

***Recommendation:***

On the motion of M Commins and A Negline

**That the Draft Quarterly Budget Review for the period ended 31 December 2014 be received and noted.**

**CARRIED**

#### **8. FINAL EXTERNAL MANAGEMENT LETTER**

***Recommendation:***

On the motion of S Watson and M Commins

**That the Audit and Risk Committee receive and note the Report to the Audit Committee from Council's external auditor Crowe Horwath.**

**CARRIED**

#### **9. PROJECT MANAGEMENT STATUS, INCLUDING ENGINEERING WORKS REPORTS**

***Recommendation:***

On the motion of A Negline and M Commins

**That the Audit and Risk Committee note the Reports of the Director of Engineering.**

**CARRIED**

## **10. ASSET MANAGEMENT PLAN**

***Recommendation:***

On the motion of A Negline and M Commins

**That the Audit and Risk Committee:**

- a) receive and note the verbal report
- b) receive a further report on the Asbestos Register for Council

**CARRIED**

## **11. LEAD ORGANISATIONAL CRITICAL ISSUES**

***Recommendation:***

On the motion of M Commins and A Negline

**That the Audit and Risk Committee receive and note the report.**

**CARRIED**

## **12. LEGISLATIVE COMPLIANCE REGISTER**

***Recommendation:***

On the motion of M Commins and A Negline

**That the Audit and Risk Committee receive and note the 2013/2014 Annual Report.**

**CARRIED**

## **13. INTERNAL AUDIT PROGRESS**

***Recommendation:***

On the motion of A Negline and M Commins

**That the Audit and Risk Committee receive and note the advice.**

**CARRIED**

## **14. AUDIT AND RISK COMMITTEE SELF ASSESSMENT**

***Recommendation:***

On the motion of A Negline and M Commins

**That the Audit and Risk Committee:**

- a) receive and note the report
- b) provide information to the Councillors on methods of communication with the Audit and Risk Committee

**CARRIED**

## **15. AUDIT AND RISK COMMITTEE MEETING SCHEDULE**

***Recommendation:***

On the motion of S Watson and M Commins

**That the Audit and Risk Committee receive and note the report.**

**CARRIED**

## **16. EXTERNAL AUDIT TIMETABLE**

***Recommendation:***

On the motion of A Negline and M Commins

**That the Audit and Risk Committee receive and note Council's external audit timetable and external auditor's audit plan.**

**CARRIED**

## **17. INDEPENDENT AUDIT AND RISK COMMITTEE MEMBERS AND ELECTION OF CHAIRPERSON**

***Recommendation:***

On the motion of A Negline and S Watson

**That the Audit and Risk Committee:**

- a) Receive and note the report
- b) Recommend that Council advertise for a replacement independent member of the Committee in accordance with the Audit and Risk Committee Charter
- c) Note that Michael Commins, independent member of the Committee, will act as the Chairperson until an election is held
- d) Receive and note the Outgoing Chairperson's Report

**CARRIED**

## **GENERAL BUSINESS**

**Nil**

Next meeting: Planning Meeting 16 April 2015.

Next General Meeting: Thursday 28 May 2015.

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Meeting Closed 11:25am

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## 6. RESIGNATION OF INDEPENDANT MEMBER - AUDIT AND RISK COMMITTEE

**RECOMMENDATION** that Riverina Water County Council:-

- a) call for expressions of interest for a replacement Independent member of the Audit and Risk Committee and
- b) write a letter of appreciation to Mr S Watson for his service on councils Audit and Risk Committee.

---

Mr Stephen Watson has submitted his resignation from Riverina Water County Council's Audit and Risk Committee

Mr Watson has been the Chairperson of council's Audit and Risk Committee since its inception. Mr Watson has contributed to the operation of the Committee in a very positive way. Council's appreciation should be extended to Mr Watson for his assistance.

It is appropriate that Council seek expressions of interest from the public for a replacement member of this committee at this time.

## 7. FEBRUARY 2015 COUNCIL MEETING

### **FOR INFORMATION**

---

Council resolved at its December 2004 to hold one council meeting in a constituent Council area outside of Wagga Wagga annually.

In August 2014 Council resolved to hold its February 2015 Meeting in Lockhart. It is proposed to precede this meeting with a tour of the Riverina Water facilities in the Lockhart region. It is proposed to meet at Lockhart Shire Council at 9.30am and depart in 3 vehicles (1 x 7 seat and 2 x 5 seat).

The following Council facilities will be visited (time permitting):-

Urana Water Treatment Plant  
Bulgary Water Treatment Plant  
Milbrulong Balance Tank  
Lockhart Reservoir and Pump Station

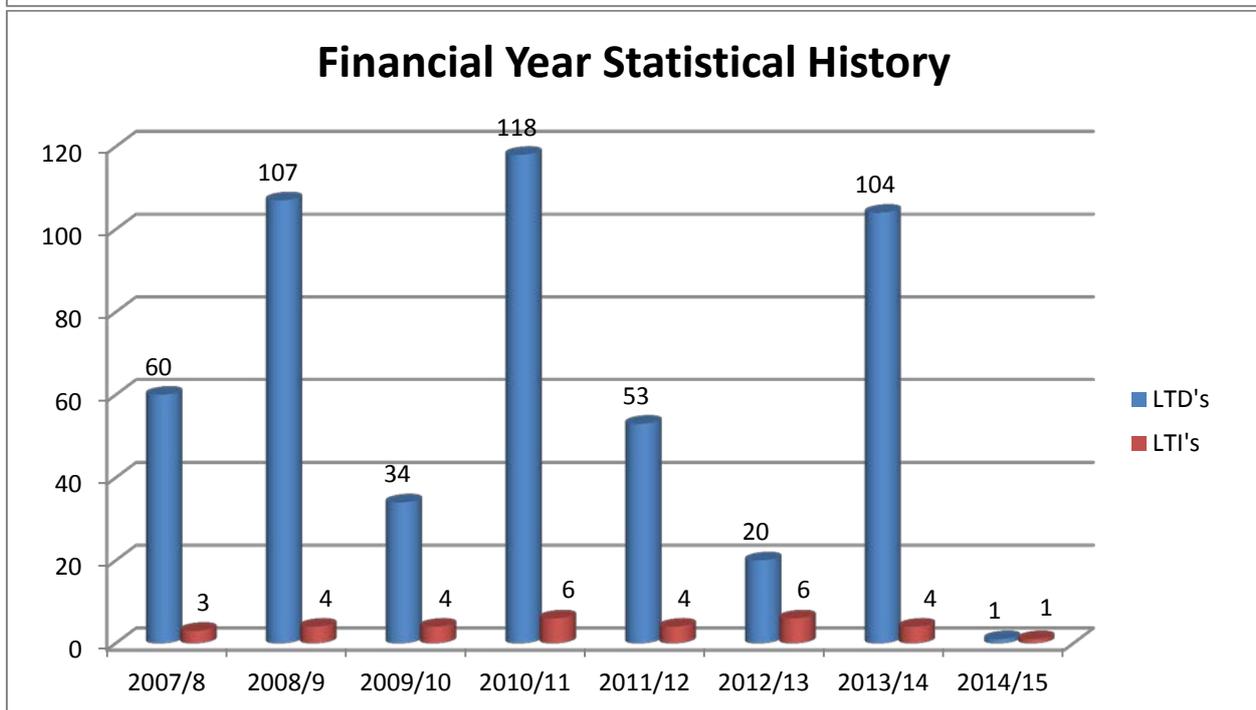
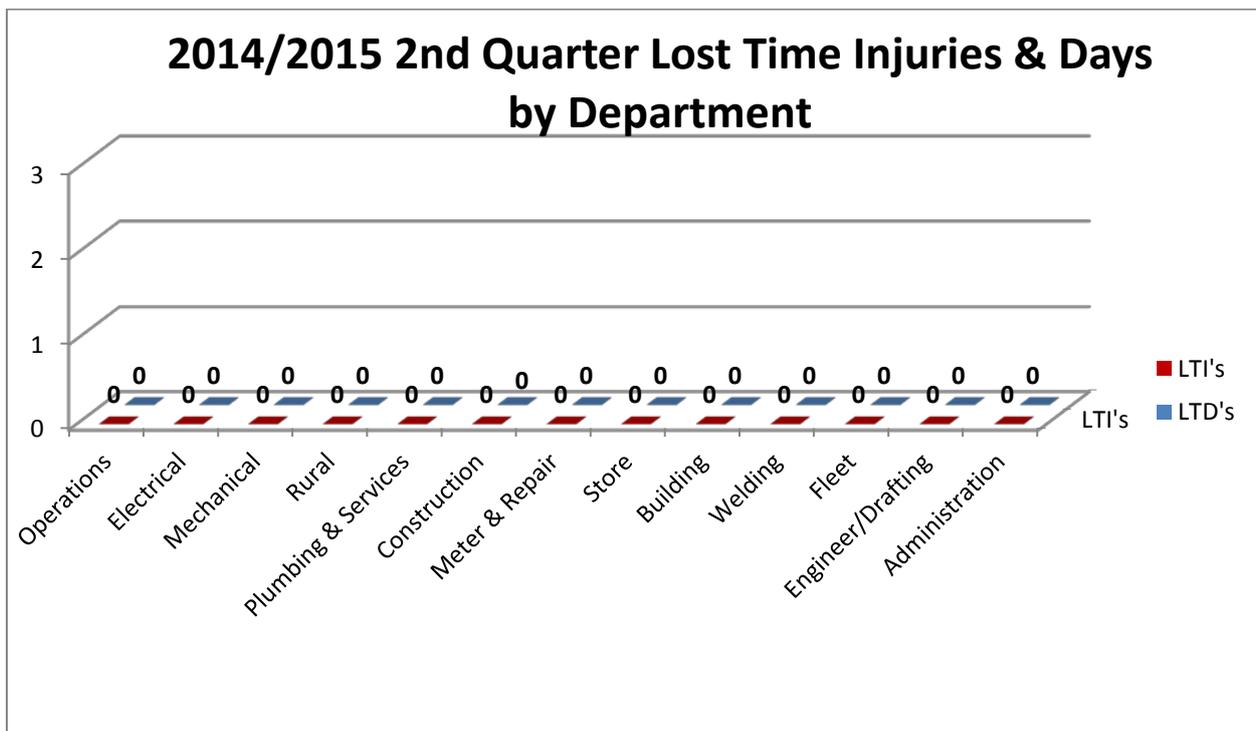
During the trip it is also proposed that we visit some other sites, such as Lockhart Filling Station, Lockhart Water Fountain, Milbrulong village and linked rural schemes.

It is proposed that we will return to Lockhart at 12.30pm, where a light lunch has been arranged.

## 8. LOST TIME INJURY STATISTICS

**RECOMMENDATION** that the quarterly statistics report on Lost Time Injuries for the 12 months ended December 2014 be received and noted.

| QUARTER                          | LOST TIME INJURIES | LOST TIME DAYS |
|----------------------------------|--------------------|----------------|
| March 2014                       | 1                  | 1              |
| June 2014                        | 1                  | 74             |
| September 2014                   | 1                  | 1              |
| December 2014                    | 0                  | 0              |
| <b>4 X Quarter Running Tally</b> | <b>3</b>           | <b>76</b>      |



## **9. REQUEST FOR CONTRIBUTION - WAGGA WOMEN'S HEALTH CENTRE**

**RECOMMENDATION** that Riverina Water County Council make a contribution to the Wagga Women's Health Centre of \$3,580, equivalent to the cost of a 50 mm connection.

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Wagga Women's Health Centre has advised that it has purchased a building at 22 Peter Street, Wagga Wagga with a view to making this building their new premises.

As part of the renovations to the building it has been determined that an increase in the size of the water connection to 50mm is necessary.

Council's fee for such a connection is \$3,580

Council has previously made a donation of \$1000 towards this centre.

Wagga Women's Health Centre provides valuable services to the women of the region. Council's assistance would be off benefit to the community.

## **10. EMPLOYMENT ENGAGEMENT SURVEY**

### ***FOR INFORMATION***

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A brief has been sent to 3 organisations requesting that they provide a proposal to Riverina Water County Council to conduct an employee engagement survey.

Submission of proposals closes Wednesday 11 March 2015.

The project is expected to commence 21 April 2015 with a final report anticipated to be provided by the 3 July 2015.

## 11. MEETINGS WITH SENIOR STAFF OF CONSTITUENT COUNCILS

### *FOR INFORMATION*

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On 12 February 2015 the General Manager together with the Director of Engineering and the Manager of Works, met with the general managers and senior staff of Lockhart Shire Council, Urana Shire Council and Greater Hume Shire Council

Matters of common interest were discussed, including a proposal that has been put to staff at Wagga Wagga City Council for a joint service arrangement, whereby constituent councils would collect Development Servicing Charges on behalf of Riverina Water County Council, with a commission been paid.

The talks with the staff of the constituent councils were very productive. It is intended to undertake such visits at least twice a year.

A meeting was held with the executive team of Wagga Wagga City Council on 17 February by the General Manager and Director of Engineering.

The main items for discussion with Wagga Wagga City Council were a proposal for Wagga Wagga City Council to collect service Development Servicing Charges on behalf of Riverina Water County Council and also arrangements to enable staged development's to be progressed in a manner that protects the interests of Riverina Water County Council. The outcomes of these discussions were very fruitful.

The proposal regarding the collection of Development Servicing Charges needs to be investigated further, with a legal opinion to be sought to ensure that correct delegations are put in place and the collection of the charges is able to be legally enforced.

## 12. CUSTOMER ADVISORY COMMITTEE

**RECOMMENDED** that Council establish a Customer Advisory Committee consisting of either option (a) or Option (b) as outlined in this report

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One of the requirements of the Proclamation establishing Council is that it must establish a Customer Advisory Committee. No specific guidelines regarding such a committee are contained in the proclamation or appear to be documented elsewhere.

Contact has been made with the two other County Councils' which have the same requirement to establish a Customer Advisory Committee. The County Councils have not established an advisory committee to date, with one of the County Council's claiming that they will not be, but having their Council as the as the advisory committee. The other County Council issued a newsletter to their customers seeking expression of interest for nomination on the Advisory Committee, no nominations were received.

For Council to comply with the statutory requirement, Council needs to establish a Customer Advisory Committee.

Two options are suggested:

- a. The Customer Advisory Committee consist of all Riverina Water Councillors, plus three additional persons nominated from industrial, commercial and residential users respectively.

In this case the three Shire councils might jointly nominate one representative, and Wagga Wagga nominate the other two

OR

- b. The Customer Advisory Committee consist of 5 Riverina Water Councillors, plus up to six additional persons nominated from industrial, commercial and residential users. In this case, the additional members might be nominated or invited by (but not members of) the constituent councils.

Advisory Committee Meetings would be on an occasional basis, when specific issues exist for discussion and recommendation. Meetings could be held on the same day (and at the same venue) prior to County Council Meetings.

### 13. USE OF URANQUINTY RESERVOIR SITE

**RECOMMENDATION** that Riverina Water County Council permit the use of the Uranquinty Reservoir site by the Uranquinty Progress Association Inc., subject to:

- a. a satisfactory lease been drawn up with the Uranquinty Progress Association,
- b. Riverina Water County Council install adequate fencing on the existing reservoir structure,
- c. Riverina Water County Council remove the lower reservoir ladder access structure,
- d. Riverina Water County Council erect an Information Board to promote the history of Southern Riverina County Council and Riverina Water County Council, and
- e. Riverina Water County Council investigate any existing above-ground structures that may pose a safety risk and make the necessary modifications

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The Uranquinty Progress Association Inc. has written to Riverina Water County Council, copy of letter attached, and requested permission to use the Uranquinty Reservoir site as an eco-cultural garden.

The reservoir site is no longer utilised by Riverina Water County Council and at the present time is surplus to the Council's needs. It is suggested that a lease arrangement with the Uranquinty Progress Association would be appropriate, provided the lease agreement includes safeguards protecting the interests of Riverina Water County Council.

Suggested conditions would include the following:-

1. Uranquinty progress Association provide detailed landscape plans to Riverina Water County Council for approval
2. That the Uranquinty Progress Association commit to maintain the facilities in an appropriate manner
3. That if the garden is neglected or poses a risk to the community that the lease be terminated
4. That any initial and ongoing earthworks and digging activities have prior approval if outside the designated garden area
5. That a dedicated 20mm water service and meter for gardening and drinking water be installed at Riverina Water County Council's cost, with the Uranquinty Progress Association meeting the ongoing costs of the water supply.

- **Uranquinty Progress Association**

# URANQUINTY PROGRESS ASSOCIATION Inc.

PO Box 90  
URANQUINTY NSW 2652

Ph: 6922 9886  
Mobile: 0409 422 141  
Email: [uranquinty@hotmail.com](mailto:uranquinty@hotmail.com)

Mr Graeme Haley  
General Manager  
Riverina Water  
P O Box 456  
Wagga Wagga NSW 2650

RECEIVED  
17 FEB 2015  
BY: .....

11 February 2015

Dear Mr Haley,

**RE: Uranquinty Eco Cultural and Sustainability Project**

## **Background**

The **Uranquinty Progress Association (UPA)** is a community group dedicated to improving its surrounding environment to make this progressive village a more attractive and sustainable location for residents and visitors. The community have successfully undertaken a number of projects in recent years. The UPA is currently planning a number of projects, which will benefit not only the residents of the village but those who visit the village. The community as a whole comes together to bring to fruition these projects which include but are not limited to:

## **Upcoming Projects**

1. The Wagga Wagga City Council Public Art project.
2. A circuit walking track for the village to enhance the current track.
3. Development & implementation of the Uranquinty Website.

## **Completed Projects**

4. Planting out of a replacement Avenue of Honour to honour WW1 servicemen.
5. Working in partnership with Origin energy on various projects such as the upgrade of kitchen facilities at the Uranquinty Neighbourhood Centre.
6. The Uranquinty Men's shed.
7. The building of both the public amenities block in the main street and the Uranquinty Community Hall.

**For the better and beautification of Uranquinty**

Gem

## **The Proposal**

The UPA seeks the support of Riverina Water to begin planning for an eco-cultural garden. The Eco garden sub-committee have identified that the Riverina Water storage tower site on the corner of Best and Uranquinty Streets would be the optimal site for the eco cultural garden. It is believed that by utilising this site for the Eco/cultural garden will enhance the overall area.

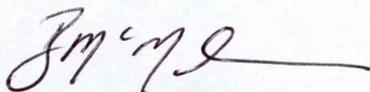
The UPA is seeking support for this project through long term access to the site for the development of the eco cultural garden. We hope to be able to enhance the area while working alongside Riverina Water

A landscape architect has been engaged to prepare concept plans for the garden. The UPA anticipates the area will be maintained by local residents as a community undertaking. We see the garden as another area within the village as a meeting point and a social focus for community members. A key element of the project will be to encourage the community to work collaboratively on a project which will benefit the whole village.

## **Conclusion**

The UPA would welcome the opportunity to discuss this proposed project further with you. We look forward to a positive response. Please do not hesitate to contact me if you have any queries regarding this proposal.

Yours sincerely



**Belinda McMahon**  
President  
Uranquinty Progress Association



**For the better and beautification of Uranquinty**

## 14. POLICY 1.7 INTERNAL AUDIT

**RECOMMENDATION:** That Council adopt Policy 1.7 Internal Audit Policy.

---

Council adopted an Internal Audit Policy at its ordinary meeting in February 2012.

The Internal Audit Policy sets out the role and activities of Council's Internal Audit Program.

The activities set out in the Internal Audit Policy are based on the Internal Audit Guidelines under section 23A of the Local Government Act 1993, published by the Division of Local Government in September 2010. The Guidelines are designed to provide councils with assistance to implement internal audit and risk management and are considered to be best practice.

A copy of the draft Internal Audit Policy is attached for Councillors information.

There are very few changes from the previous Policy.

- **Policy 1.7 Internal Audit**

**INTERNAL AUDIT POLICY**

|   |                   |                         |                      |
|---|-------------------|-------------------------|----------------------|
| <b>POLICY REFERENCE NUMBER:</b>   |                   | <b>POL 1.17</b>         |                      |
| <b>Original publication date</b>  |                   | <b>22 February 2012</b> |                      |
| <b>Revision number</b>  | <b>Issue Date</b> | <b>Approved</b>         | <b>Approval date</b> |
| 0   | 22 Feb 2012       | Res: 12/08              | 22 Feb 2012          |
| 1   | 18 Feb 2013       | No Change-New Format    | N/A                  |
| 2   | 3 February 2015   | Res: 15/??              | 25 February 2015     |
| <p>This document is to be reviewed <b>every 2 years</b> once each Council term.<br/> Next review date: <b>February 2017</b></p> |                   |                         |                      |
| <b>RESPONSIBLE OFFICER</b>  |                   | General Manager         |                      |

# **PART 1: INTRODUCTION**

Internal audit is *an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. It helps an organisation accomplish its objectives by bringing a systematic disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.*

It is important for Council to have an internal audit function for the following reasons:

- It supports good internal governance;
- To ensure consistency with other levels of government;
- To improve the effectiveness of risk management, control and governance processes; and
- Helps to instil public confidence in Council's ability to operate effectively.

## **1.1 Policy Objectives**

The objective of internal audit is to provide independent assurance over the internal controls and risk management framework of Council. This policy establishes a formal, structured internal audit framework that is appropriate to Council's activities and operating environment.

## **1.2 Scope of Policy**

This policy applies to Riverina Water County Council

## **1.3 Related Documents**

Audit and Risk Committee Charter  
Internal Audit Charter

# **PART 2: POLICY CONTENT**

## **2.1 Responsibilities**

One of the primary objectives of the internal audit function is to add value to Council operations. The scope of services provided by Internal Audit shall encompass:

- 2.1.1 Develop and implement a comprehensive risk based cyclical Strategic Internal Audit Plan which is endorsed by the Audit and Risk Committee.
- 2.1.2 Undertake an annual Internal Audit Planning Day in conjunction with the Audit and Risk Committee.
- 2.1.3 Develop and implement a detailed Internal Audit Annual Work Program which is endorsed by the Audit and Risk Committee incorporating the following key functions:

- a. The examination and evaluation of the adequacy and effectiveness of systems of internal control, risk management, governance, and the status of ethical behaviour.
  - b. Ascertaining conformity with the goals and objectives of Council.
  - c. Assessment of the economic and efficient use of resources.
  - d. The examination of compliance with policies, procedures, plans and legislation.
  - e. Assessment of the reliability and integrity of information.
  - f. Assessment of the safeguarding of assets.
  - g. All activities of Council, whether financial or non-financial, manual or computerised.
- 2.1.4 Provide advice to the Council, General Manager and management as requested.
- 2.1.5 Undertake special assignments as requested by the General Manager.
- 2.1.6 Liaise with the external auditor and co-ordinate audit coverage.
- 2.1.7 Undertake internal audit work in accordance with the Institute of Internal Auditors Australia's *International Standards for the Professional Practice of Internal Auditing*.

## **2.2 Reporting Requirements**

Internal Auditor has independent status within Council and reports administratively to the General Manager and functionally to the Audit and Risk Committee. The Internal Auditor reports to the Audit and Risk Committee at least four times per year.

## 15. POLICY 1.22 BUSINESS CONTINUITY

**RECOMMENDATION** that Riverina Water County Council adopt Policy 1.22 Business Continuity.

---

As part of the overall review of Council's Policies and under guidance from StateWide Mutual Insurance Group, Riverina Water County Council adopted a policy in February 2013 that provided a mechanism for the continuation of Council's operations during times of disruption to normal business activities.

This policy has been reviewed and is attached for Councillors' information.

The objectives of the Policy are:-

Riverina Water County Council aims to:

- Maintain the highest possible integrity and continuity for services provided by the Council, Safeguard the Council's assets, including people, property and financial resources,
- Ensure the uninterrupted availability of resources so that Council can continue to perform the Critical Business Functions that support its critical objectives,
- Ensure that Council can appropriately deal with disruption,
- Demonstrate responsible Business Continuity Management processes that align with applicable Australian Standards, accepted best practice standards and methods, and
- Ensure the accurate and timely provision of information to staff, the community, business partners, stakeholders and other relevant levels of Government during an outage event.

It is appropriate that this policy be adopted to again demonstrate Council's commitment to the reduction of risk wherever practicable, throughout Council's operations.

- **Policy 1.22 Business Continuity**

**BUSINESS CONTINUITY POLICY**

|  |                   |                  |                      |
|--|-------------------|------------------|----------------------|
| <b>POLICY REFERENCE NUMBER:</b>  |                   | POL 1.22         |                      |
| <b>Original publication date</b>   |                   | 27 February 2013 |                      |
| <b>Revision number</b>   | <b>Issue Date</b> | <b>Approved</b>  | <b>Approval date</b> |
| 0  | 27 Feb 2013       | Res: 13/15       | 27 Feb 2013          |
| Name changed<br>22/11/13 from<br>Pol 5.32  |                   |                  |                      |
| 1  | 3 Feb 2015        | Res: 15/??       | 25 Feb 2015          |
| <p>This document is to be reviewed every 2 years.<br/>Next review date: <b>February 2017</b></p> |                   |                  |                      |
| <b>RESPONSIBLE OFFICER</b>   |                   | General Manager  |                      |

# **PART 1: INTRODUCTION**

Riverina Water County Council adopts Business Continuity Management as a core obligation of good governance and utilises the methodology specified in the AS/NZS 5050:2010 Business Continuity – Managing Disruption Related Risk.

Council recognises that Business Continuity is an integral part of good management practice and fully supports Business Continuity Management as an important element in its Good Governance Framework.

The purpose of this policy is to establish the systems and processes required to ensure the uninterrupted availability of all key resources necessary to support Council's identified Critical Business Functions during an Outage.

## **1.1 Policy Objectives**

Riverina Water County Council aims to:

- Maintain the highest possible integrity and continuity for services provided by the Council, Safeguard the Council's assets, including people, property and financial resources,
- Ensure the uninterrupted availability of resources so that Council can continue to perform the Critical Business Functions that support its critical objectives,
- Ensure that Council can appropriately deal with disruption,
- Demonstrate responsible Business Continuity Management processes that align with applicable Australian Standards, accepted best practice standards and methods, and
- Ensure the accurate and timely provision of information to staff, the community, business partners, stakeholders and other relevant levels of Government during an outage event.

## **1.2 Scope of Policy**

This policy applies to all areas of Council's operations.

## 1.3 Definitions

|                                       |   |
|---------------------------------------|---|
| <b>Business Continuity Management</b> | The development, implementation and maintenance of policies, frameworks and programs to assist an entity manage a business outage. It is the capability that assists in the preventing, preparing for and responding to, managing and recovering from the impacts of an outage event. |
| <b>Business Continuity Plan</b>       | A collection of procedures and information that is developed compiled and maintained in readiness for use during a business outage event.   |
| <b>Critical Business Functions</b>    | A business function or part thereof identified as essential for the survival of the organisation and achievement of its critical objectives.  |
| <b>Disaster Recovery Plans</b>        | Specific plans, procedures and documents for critical business processes that will enable critical business functions to continue during a business outage event. These plans support the Business Continuity Plan.   |
| <b>Outage</b>                         | An event that has an effect on the critical business functions of the entity, and inhibits the achievement of its objectives. It may be acute, creeping or sustained event.   |

## 1.4 Related Documents

Business Continuity Plan

Risk Management Framework (Pending)

Risk Management Policy

Risk Management Strategy

## PART 2: POLICY CONTENT

### 2.1 Council will:

- Manage Business Continuity based upon AS/NZS 5050:2010 Business Continuity and other relevant guidelines and standards;
- Update its Business Continuity *Plan*, Emergency Response Plans and Disaster Recovery Plans on an annual basis;
- Ensure that relevant and appropriate exercising of plans is undertaken at least annually;
- Ensure the accurate and timely provision of information, as it concerns the outage event, to staff, the community, business partners, stakeholders and other relevant levels of Government;
- Make informed judgements concerning the level of management and costs involved in achieving effective outcomes.

### 2.2 Council recognises the following benefits of Business Continuity Management:

- demonstrates to internal and external stakeholders, their dependability and good governance;
- ensures the continued delivery of critical services to the community;
- effective response to a business outage minimises damage to the organisation;
- enhances Council's ability to proactively identify the consequences of a business outage;
- effective management of uninsurable risks, and compliance with insurance policies;
- an opportunity to better understand the organisation with the potential to improve efficiency, governance and treatment of other risks;
- remain compliant with relevant legislative and other obligations;
- increases the awareness for the potential for disruption;
- allows Council to maintain a strong focus on critical functions thereby achieving critical objectives during an outage;
- building resilience that facilitates managing and recovering from a business outage event.

## **PART 3: POLICY IMPLEMENTATION GUIDELINES**

This policy will be implemented through Council's *Business Continuity Plan* as shown below:

### **Business Continuity Policy**

The Business continuity Policy sets out Councils commitment to business continuity and the principles upon which it will manage outage events

### **Business Continuity Plan**

The Business Continuity Plan is a collection of procedures and information that is developed ,compiled and maintained in readiness for use in a business outage event.

The Business Continuity Plan identifies critical sub plans which address key areas of potential failure .These sub plans identify processes to be followed as well as how the situation will be managed by Senior Management. Also included is a process of immediate responses primarily concerned with protection of life and property.

## 16. POLICY 4.2 SMOKE FREE ENVIRONMENT

**RECOMMENDATION** that Riverina Water County Council adopt Policy 4.2 Smoke Free Environment.

---

Council adopted a Policy encouraging a Smoke Free Environment in 2009.

This policy has been reviewed and is attached for Councillors' information.

There have been very few changes to the original Policy.

The objectives of the Policy are:-

Riverina Water County Council aims to:

- Specify places where smoking is not permitted in the workplace.
- Outline the responsibilities of staff including managers.
- Promote smoke free workplace policy in recruitment and training of new employees.
- Provide assistance for staff wishing to quit smoking.
- Authorise placement of "No Smoking" signs.

It is appropriate that this policy be adopted to again demonstrate Council's commitment to the reduction of risk associated with smoking in the workplace.

- **Policy 4.2 Smoke Free Environment**



## POLICY REGISTER

| Smoke Free Environment Policy   |               |                    |                      |
|---|---------------|--------------------|----------------------|
| POLICY REFERENCE NUMBER:  |               | POL 4.2            |                      |
| Original publication date   |               | August 2003        |                      |
| Revision number   | Issue Date    | Council resolution | Council meeting date |
| 1   | January 2009  |                    |                      |
| 2   | October 2010  |                    |                      |
| 3   | February 2015 | Res 15/??          | 25 February 2015     |
| <p style="text-align: center;">This document is to be reviewed every two years.<br/>Next review date: February 2017</p> |               |                    |                      |
| RESPONSIBLE OFFICER   |               | General Manager    |                      |

## PART 1 : INTRODUCTION

### 1.1 Policy Objectives

The purpose of this policy is to protect the health of Council employees, contractors, visitors and Councillors by eliminating exposure to environmental tobacco smoke in and around all Riverina Water County Council buildings, facilities and vehicles.

The objectives of this policy are :

- Specify places where smoking is not permitted in the workplace
- Outline the responsibilities of staff including managers
- Promote smoke free workplace policy in recruitment and training of new employees
- Provide assistance for staff wishing to quit smoking
- Authorise placement of "No Smoking" signs

## **1.2 Scope of Policy**

This policy shall apply to all employees, Councillors, contractors and visitors to Riverina County Council buildings, worksites, facilities and vehicles.

## **1.2 Definition**

**Environmental Tobacco Smoke (ETS)**-is a combination of exhaled mainstream smoke (smoke breathed out by smoker) and side-stream smoke (smoke that drifts from the burning end of a cigarette)

## **1.3 Legislative Context**

This policy has been developed in order to ensure compliance with Work Health and Safety legislation including:

NSW Work Health and Safety Act (WHS) 2012

NSW Work Health and Safety (WHS) Regulations 2012

[SWA & Workcover NSW Codes of Practice associated with WHS](#)

!

## **1.4 Related Documents**

Riverina Water County Council Work Health and Safety Policy

[Riverina Water County Council Code of Conduct](#)

[Procedures for the Administration of the Code of Conduct](#)

# **PART 2 : Policy Content**

## **2.1 General Principles**

Riverina Water County Council has a duty of care under NSW WHS legislation to provide a safe and healthy workplace. This obligation extends all buildings, amenities, and motor vehicles.

Smoking is known to be a contributory factor in many serious and fatal illnesses such as cancer. However exposure to smoke (passive smoking ) can be equally dangerous to non-smokers, who breath in other people's smoke (environmental Tobacco smoke). Passive smoking can affect smokers and non-smokers.

Research indicates that there is no safe level of exposure to environmental tobacco smoke and prolonged exposure is known to increase the risks of lung cancer and heart disease, as well as the incidence of sore throats, nasal symptoms, asthma attacks and other chest illnesses

The dangers of passive smoking in the workplace have resulted in litigation, where employers have been held responsible for illnesses caused by passive smoking. (Source: NSW Department of Health Facts Sheet at [www.health.nsw.gov.au](http://www.health.nsw.gov.au) )

## **2.2 Policy Provisions**

### **2.2.1 Specific Requirements**

In order to comply with Council responsibilities under the Work, Health and Safety legislation **in regard to providing a smoke free workplace** the following requirements are established under this policy;

1. Smoking is prohibited in all Council buildings, facilities, plant and vehicles .
2. There is no provision for the designation of smoke-permitted rooms or areas in or adjacent to buildings controlled by Council
3. It is the responsibility of staff, contractors, visitors or Councillors smoking outside buildings to ensure, as far as practicable, that they are not within ten meters of open windows, doorways, or air conditioning inlets, and that cigarette butts are fully extinguished and disposed of in a suitable receptacle.
4. It is the responsibility of smokers to ensure that they do not expose any other persons in the work environment to the smoke from their cigarettes.
5. Non-smoking staff **shouldshall** not put themselves at risk by willingly exposing themselves to cigarette smoke.
6. All new employees will be informed of the smoke free environment policy at commencement of employment and at induction training for new staff.

### **2.2.2 Programs to assist in quitting smoking**

Riverina Water County Council will provide assistance to any member of staff who **wishes** to stop smoking. This assistance is available by contacting the Return to Work Coordinator at council. This assistance will include provision of anti smoking aids and associated information.

### **2.2.3 Responsibilities**

#### **Council**

Under this policy Council will:

- Provide support and encouragement for staff to “Quit” the smoking habit;
- Not discriminate on the grounds of a person’s smoking preferences;
- Consult with staff when reviewing this policy.

#### **Managers and Supervisors**

Under this policy Managers and Supervisors will;

- Ensure a quick response to any reports of policy breaches;

- Monitor that smoking is only undertaken in areas permitted under this policy.

### **All staff**

Under this policy have the following obligations;

- All staff are responsible for ensuring that a smoke free environment is maintained by compliance with the provisions of this policy and reporting any incidents which breach these provisions.
- Staff are also expected to advise visitors and contractors of the smoke-free environment policy
- Staff who fail to consider the safety of others at work by not complying with this smoke free policy will be subject to disciplinary action in accordance with the Riverina Water County Council Enterprise Award and internal procedures

## 17. INTERNAL POLICY 3.29 HEALTH AND WELLBEING

**RECOMMENDATION** that Riverina Water County Council adopt Internal Policy 3.29 Health and Wellbeing.

---

As part of the overall review of Council's Policies, and to support provisions in Council's Enterprise Award, an Internal Policy has been developed relating to Council achieving and maintaining a healthy workforce. It is intended that this improved health and wellbeing will lead to reduced absenteeism and improved productivity by the Council's staff.

This policy is attached for Councillors' information.

The goals of the Policy are:-

- To build and maintain a workplace environment and culture that supports healthy lifestyle choices.
- To increase employee knowledge and awareness of health and wellbeing issues and healthy lifestyle behaviours.
- To facilitate employees active participation in a range of programs, initiatives and events that support health and wellbeing.

It is appropriate that this policy be adopted to demonstrate Council's commitment to the reduction of risk wherever practicable, throughout Council's operations by the improvement of the health and wellbeing of its workforce.

- **Internal Policy 3.29 Health & Wellbeing**

## INTERNAL POLICY REGISTER

| <b>HEALTH &amp; WELLBEING POLICY</b>  |                                  |                                       |                        |
|---|----------------------------------|---------------------------------------|------------------------|
| <b>POLICY REFERENCE NUMBER:</b>   |                                  |                                       | <b>Internal Policy</b> |
| <b>Original publication date</b>  |                                  | <b>11<sup>th</sup> July, 2014</b>     |                        |
| Revision number   | Approval Date by General Manager | Review by General Manager Reported on | Council Resolution     |
| 1   |                                  |                                       |                        |
| This document is to be reviewed every two years.<br>Next review date: 11 <sup>th</sup> July, 2016 |                                  |                                       |                        |
| <b>RESPONSIBLE OFFICER</b>  |                                  |                                       | HR Coordinator         |

### **PART 1: INTRODUCTION**

Riverina Water recognises that the health and wellbeing of our employees is important and is committed to providing a safe, healthy and supportive environment in which to work, where healthy lifestyle choices are valued and encouraged.

#### **1.1 Goals**

- To build and maintain a workplace environment and culture that supports healthy lifestyle choices.
- To increase employee knowledge and awareness of health and wellbeing issues and healthy lifestyle behaviours.
- To facilitate employees active participation in a range of programs, initiatives and events that support health and wellbeing.

#### **1.2 Policy Objective**

Where possible, Riverina Water will:

- Address individual needs and organisational health issues
- Provide healthy nutritional choices in the workplace when Council caters for meetings / training
- Encourage employees to be more physically active by making provisions in the workplace for activity opportunities
- To increase employee knowledge, promote awareness of key health issues and provide education for employees
- Endeavour to increase attraction and retention of employees
- Encourage employees to provide input into health and wellbeing initiatives

#### **1.3 Scope of Policy**

This policy applies to all employees working at Riverina Water County Council.

## **1.4 Definitions**

N/A

## **1.5 Legislative Context**

NSW Work Health and Safety Act (WHS) 2012  
NSW Work Health and Safety Regulations 2012

## **PART 2: POLICY CONTENT**

### **Principles**

- Various communication strategies will be utilised depending on the appropriateness of the topic being delivered (e.g. announcements at group meetings, team meetings, individual discussions, displays, posters, noticeboards, internal/external training sessions, email, internet, safety newsflash, tapped in newsletter and relax newsletter).
- Open discussion will be encouraged and the different needs of people in the workplace will be considered

### **Responsibilities**

#### **Employees are encouraged to:**

- Understand this policy and consider this policy while completing work-related duties and at any time while representing Riverina Water
- Support and contribute to Riverina Water's aim of providing a safe, health and supportive environment for all workers

#### **Managers have a responsibility to:**

- Support the implementation of this policy
- 
- Enable staff to participate in the Health & Wellbeing Program, provided participation does not negatively impact on working team activities

#### **Health & Wellbeing Committee will:**

- Ensure that all employees are made aware of this policy
- Promote program activities and the mutual benefits with management, employees and with the already established Health & Safety representatives/committee.
- Increase employees knowledge and awareness of health and wellbeing issues and healthy lifestyle behaviours
- Facilitate employee participation in a range of initiatives that support health and wellbeing
- Ensure that programs are respectful of individual choice, cultural beliefs and business requirements
- Manage the implementation and review of this policy
- Provide annual report to management on the outcomes from the Health & Wellbeing Program
- Effectiveness of the policy/program will be assessed through – feedback from workers, health and wellbeing committee and management; worker engagement and review of the policy implementation to determine if all objectives have been work.

## 18. DIVIDEND PAYMENT TO CONSTITUENT COUNCILS

**RECOMMENDATION** that:

- a) The General Manager report on access charges for non-residential consumers to the April 2015 Ordinary Meeting of Council.
- b) The General Manager seek advice from the NSW Office of Water on alternative methods of distributing dividends to constituent council.

---

A Question with Notice was submitted by Councillor Kendall at the December 2014 Council Meeting.

It read as follows:

Requested that the General Manager provide a report in February 2015 on:

- The circumstances in which RWCC could pay a dividend to constituent councils,
- The ways of determining the amount of such a dividend, and
- How it could be split up amongst the constituent councils.

A similar question, with a different emphasis, was considered by Council in February 2014. The difference with this question is that it is more about the process of distributing a dividend, rather than whether one could be paid at all. It was suggested at the time that such a dividend would only be paid out of an unplanned surplus.

A copy of my Report to Council in February 2014 is included below (in italics). Additional information follows this.

*A Question With Notice was submitted by Clr Kendall with regard to the following:*

1. *What capacity is there in our current budget year and future years to consider paying a dividend to constituent councils (as a guide can we consider two amounts \$250,000 and \$500,000)?*
2. *Under current DLG guidelines what dividend could have been paid after the last financial year?*

*The questions are considered as follows:-*

*A discussion of the guidelines issued by the NSW Office of Water is probably a good initial step.*

*Under guidelines issued by the New South Wales Office of Water, Local Water Utilities can pay dividends to councils. The dividends are payable, provided that the Local Water Utility satisfies the following six criteria of best practice:*

1. *Strategic Business Planning*
2. *Pricing (including Developer Charges)*
3. *Water Conservation*
4. *Drought Management*
5. *Performance Reporting*
6. *Integrated Water Cycle Management*

To be eligible to make a dividend payment from a surplus, a Local Water Utility must

- Demonstrate best practice manager compliance through an independent compliance audit report
- Obtain an unqualified financial audit report for its water supply and all sewage business
- Resolve in a Council meeting open to the public that it has achieved substantial compliance with each criterion in these guidelines.

The local water utility must complete and forward the following documents to the NSW Office of Water prior to payment of a dividend from the surplus:

- The statement of compliance and dividend payment form
- The statement of financial performance of business activities
- The independent compliance audit report and the unqualified independent financial audit report

A county council which achieves the required outcomes may pay a dividend to its Constituent Councils on a pro rata basis, based on the number of assessments in its Constituent Council areas.

Local Water Utilities facing major capital expenditure for new or replacement infrastructure should defer paying a significant dividend from their surplus; such a payment would directly increase the required Typical Residential Bill. Such capital expenditure in any financial year is defined as that which exceeds 3% of the current replacement cost of the local water supply or sewerage assets.

The current replacement Cost of Council's Water Supply Assets has been estimated to be \$340M, 3% of which is \$10,200,000.

A dividend is in the nature of a 'return on investment' paid to the 'shareholder' which in this case is the local government council responsible for managing and investing in the local water utilities water supply and sewerage functions. The Council may apply the dividend for any purpose under the Local Government Act or any other act.

The dividend is in two parts: a dividend calculated for tax equivalents and a dividend calculated from the surplus.

In the case of Riverina Water County Council the dividend calculated for tax equivalents would be \$41,000 per annum (split between the constituent councils on a pro-rata basis)

|                    |          |
|--------------------|----------|
| Wagga Wagga City   | \$35,456 |
| Greater Hume Shire | \$ 2,838 |
| Lockhart Shire     | \$ 1,921 |
| Urana Shire        | \$ 785   |

If Council decides to pay a dividend based on tax equivalents, it would probably need to cease all donations and sponsorships. A decision was made in 2003 that these sponsorships and donations were to come from tax equivalents. Last year Council made payments of about \$36,000 for these purposes.

The dividend from the surplus may only be paid by local water utilities which achieve the required outcomes for each of the six criteria set out earlier. The surplus excludes any government capital grants for infrastructure.

*If a dividend was payable from the 2012/2013 surplus it would have been \$908,980.*

|                           |                  |
|---------------------------|------------------|
| <i>Wagga Wagga City</i>   | <i>\$786,072</i> |
| <i>Greater Hume Shire</i> | <i>\$ 62,927</i> |
| <i>Lockhart Shire</i>     | <i>\$ 42,582</i> |
| <i>Urana Shire</i>        | <i>\$ 17,399</i> |

*There would not have been a dividend payable from surplus in 2010/2011 or 2011/2012.*

*Should Council desire to pay a dividend from Surplus in 2014/15 it would need to budget for a surplus. The dividend payable could be up to 50% of this surplus (less the dividend calculated for tax equivalents), up to a maximum of \$30 per assessment.*

*As a guide for water pricing, each 1% increase in tariff would result in an additional \$150,000 in revenue.*

*To achieve a dividend of \$250,000, Council would need to budget for a surplus of \$500,000, an increase in water tariff of 3.33%.*

*To achieve a dividend of \$500,000, Council would need to budget for a surplus of \$1,000,000, an increase in water tariff of 6.67%.*

*Please note that under Councils long term financial plan, Council had previously foreshadowed an increase of 10% to increase its revenue base to enable it to service the loans for the proposed Water Treatment Plant.*

During discussions on the distribution of a dividend the following points were made:

1. A dividend would only be paid if Council made a surplus greater than that predicted in its long term financial plan,
2. Council's cash position would need to be more favourable than that desired in the long term financial plan, and
3. Sufficient cash reserves would need to be in place to allow for years of low water sales.

A suggestion was made that if a dividend was paid it could be paid on a flat rate per Constituent Council, as well as on a per connection basis.

An example of this would be that the split would be calculated after the Council resolved to pay a dividend. To compare it to the figures mentioned in the previous report, an example of a \$908,980 dividend is used.

#### Example 1 – Pro Rata per connection

|                    |                  |
|--------------------|------------------|
|                    | All Pro Rata     |
| Wagga Wagga City   | \$786,072        |
| Greater Hume Shire | \$62,927         |
| Lockhart Shire     | \$42,582         |
| Urana Shire        | \$17,399         |
|                    | <u>\$908,980</u> |

Example 2 – 5% of dividend per Council, Pro Rata per connection thereafter

|                    | Flat Rate        | Pro Rata         | Total            |
|--------------------|------------------|------------------|------------------|
| Wagga Wagga City   | \$45,449         | \$628,858        | \$674,307        |
| Greater Hume Shire | \$45,449         | \$50,342         | \$95,791         |
| Lockhart Shire     | \$45,449         | \$34,066         | \$79,515         |
| Urana Shire        | \$45,449         | \$13,919         | \$59,368         |
|                    | <u>\$181,796</u> | <u>\$727,184</u> | <u>\$908,980</u> |

Example 2 – 10% of dividend per Council, Pro Rata per connection thereafter

|                    | Flat Rate        | Pro Rata         | Total            |
|--------------------|------------------|------------------|------------------|
| Wagga Wagga City   | \$90,898         | \$471,643        | \$562,541        |
| Greater Hume Shire | \$90,898         | \$37,756         | \$128,654        |
| Lockhart Shire     | \$90,898         | \$25,549         | \$116,447        |
| Urana Shire        | \$90,898         | \$10,439         | \$101,337        |
|                    | <u>\$363,592</u> | <u>\$545,388</u> | <u>\$908,980</u> |

There are a couple of obstacles to the payment of a dividend in the near future. These obstacles can be overcome in a short period of time if desired.

The first obstacle is of course the advice of the Office of Water that if a Council is facing major capital expenditure for new or replacement infrastructure it should defer paying a significant dividend from their surplus. RWCC’s capital works program over the next few years would, by any definition be classified as significant and would preclude the payment of a dividend. When these major capital works are completed, this reason would cease to be a factor.

The next obstacle to the payment of a dividend is the requirement that the Water Authority must comply with all the Office of Water’s six criteria of Best Practice. Riverina Water does not comply with one aspect of Best Practice Pricing. The area of non-compliance is the requirement that the access charges for non-residential consumers should reflect the connection size of those consumers. This non-compliance can be remedied by a change in Council’s pricing structure. This would result in significant price increase for some non-residential consumers and it is strongly suggested that it be phased in over at least 2 years, with adequate communication with those affected and a program in place to enable them to change their connection size. If desired, a full report on this change in pricing structure will be provided to Council’s April Council Meeting.

The third obstacle to the suggestion that a dividend be distributed in a manner other than on a pro-rata basis, to a maximum of \$30 per connection, appears to be at odds with the guidelines of the Office of Water. If Council decides that such a distribution method is its desired method, it may be necessary to make representations to the Office of Water to gain an exemption from this requirement, or alternatively to change the guidelines.

## **19. CONSIDERATION OF TENDERS FOR W193 - CONSTRUCTION OF INDUSTRIAL WAREHOUSE AND OFFICE**

**RECOMMENDATION** that Council consider the Report " Consideration of Tenders for W193 Construction of Industrial Warehouse and Office" whilst the meeting is closed to the public as it could relate to commercial information, the disclosure of which would be likely to prejudice the commercial position of the person who supplied it, as prescribed by section 10A(2)(c) of the Local Government Act 1993.

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## **20. PERFORMANCE REVIEW – GENERAL MANAGER**

**RECOMMENDED** that the Council consider the Chairman's Report "Performance Review – 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.

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## **21. CHAIRPERSON'S REPORT – REAPPOINTMENT OF GENERAL MANAGER**

**RECOMMENDED** that the Council consider the Chairman's Report "Reappointment of 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.

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## **22. COUNCIL RESOLUTION SHEET**

**RECOMMENDATION** that Riverina Water County Council note Council's Resolution Sheet.

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| <b>Council Resolution Sheet – Meeting held 12/12/2014</b> |  |                            |  |  |
|---|--|----------------------------|--|--|
| <b>Report Ref</b>   | <b>Subject</b>   | <b>Responsible Officer</b> | <b>Council Decision</b>  | <b>Action Taken</b>  |
| <b>Meeting held 20 August 2014</b>                        |  |                            |  |  |
| 14/93   | Lease of Land off Beauty Point Avenue  | MCS                        | That the leases be renewed for land adjacent to 4, 14, 16 and 18 Beauty Point Avenue, for a further two years (2014/15 and 2015/16), with an annual rental of \$120 for 2014/15 and a CPI increase in 2015/16. | New lease documents completed and signed.                          |
| <b>Meeting held 12 December 2014</b>                      |  |                            |  |  |
| 14/164  | Workshop Operational Plan 2015/2016  | GM                         | That Council hold a Workshop to discuss key aspects of the 2015/2016 Operational Plan, following Council's February Meeting, with the Council Meeting to commence at 1.30 pm in Lockhart.                      | Workshop arranged.   |
| 14/165  | Creation Of Electricity Easement – West Wagga Aeration Plant, McNickle Road, Wagga Wagga | MO                         | That Council proceed with electricity easement registration at West Wagga Aeration Plant in favour of Essential Energy.  | Documents forwarded to Council's Solicitors.                       |
| 14/166  | Road Closure And Registration Of Easement  | GM                         | That Council authorise the completion of Section 88B Instrument and other documents relating to the closure of Lot 1 DP adjacent to 55 Cunningdroo Street, Ladysmith, under the Common Seal of Council.        | Seal affixed and documents forwarded to Farrell Lusher Solicitors. |
| 14/168  | Internal Policy 1.4 Consultative Committee Constitution                                  | GM                         | That Council adopt Internal Policy 1.4 Consultative Committee Constitution.  | Policy on Council's Intranet                                       |
| 14/169  | Internal Policy 3.25 Leave   | GM                         | That Council adopt Internal Policy 3.25 Leave.   | Policy on Council's Intranet                                       |
| 14/170  | Policy 1.13 Risk Management  | GM                         | That Council adopt Policy 1.13 Risk Management.  | Policy on Council's web page.                                      |
| 14/171  | Policy 1.18 Records Management   | GM                         | That Council adopt Policy 1.18 Records Management.   | Policy on Council's web page.                                      |

|        |  |     |  |   |
|--------|--|-----|--|---|
| 14/189 | Consideration of Tender W.191 for Supply and Delivery of Water Supply Pressure Pipes | DoE | That: 1. The tender received from Pentair for the supply of 6,300m of Ductile Iron Cement Lined (DICL) pipe for \$982,800 be accepted;<br>2. The tender received from Vinidex for the supply of 7,500m of Oriented Polyvinyl Chloride (oPVC) for \$185,000 be accepted;<br>3. \$664,000 be brought forward from the 2015/2016 financial year to fund the 4,500m of DICL pipe required for next year's capital works program.                         | Orders issues for pipes.                                    |
| 14/190 | Purchase of Land for Alternative Access to Hammond Ave                               | GM  | That Council: 1) Purchase land bordering Koorungal Road, comprised of:<br>Part Lot 5, DP 588177<br>Part Lot 17, DP 863322<br>Part Lot 15, DP 842485<br>for operational and access requirements in accordance with Section 187 of the Local Government Act 1993.<br>2) Delegate authority to the General Manager to negotiate the land purchase and sign the relevant sale documents.<br>3) Affix Council's Common Seal to documentation as required. | Negotiation continuing.                                     |
| 14/191 | Purchase Of Land – New Shires Reservoir  | GM  | That Council: 1) Purchase the land for the Shires Reservoir of approximately 6,400 sq metres on Lot 143 DP 754567, Olympic Highway.<br>2) Delegate authority to the General Manager to negotiate the land purchase and establishment of easements for pipeline and access.<br>3) Affix Council's Common Seal to documents as required.   | Fresh valuations being obtained to facilitate negotiations. |
| 14/192 | Purchase Of Land – Replacement Collingullie Reservoir                                | GM  | That Council: 1) Purchase the land for the replacement Collingullie Reservoir of approximately 800 sq. metres on Lot 2, DP 711266, The Rock/Collingullie Rd.<br>2) Delegate authority to the General Manager to negotiate the land purchase and establishment of easements for pipeline and access.<br>3) Affix Council's Common Seal to documents as required.  | Negotiations complete, documentation being prepared.        |
|        |  |     |  |   |

**QUESTION TRACKING****Meeting Held 12 December 2014**

|            |   |   |
|------------|---|---|
| Cr Kendall | requested that the General Manager provide a report in February 2015 on <ul style="list-style-type: none"><li>• The circumstances in which RWCC could pay a dividend to constituent councils,</li><li>• The ways of determining the amount of such a dividend, and</li><li>• How it could be split up amongst the constituent councils.</li></ul> | Report to February 2015 Meeting   |
| Cr Kendall | Not aware that Councillors get notice of Audit & Risk Committee meetings – suggest being notified in case they wish to attend as an observer  | Notice will be given in future invitations.                                 |
| Cr Verdon  | Council has a resolution sheet as part of Business Paper, suggest Questions be summarised as well.  | Questions requiring actions included in report.                             |
| Cr Verdon  | Asked on progress of alternative water supply for southern side at The Rock.  | Manager of Works is investigating. Initial discussions held with LSC staff. |
| Cr Meyer   | Advice of meeting advice should refer to RWCC, not just Council – can't change  | Fresh notices will be sent out.   |



Graeme J. Haley  
GENERAL MANAGER

## **DIRECTOR OF ENGINEERING'S REPORTS TO COUNCIL MEETING**

January 2015

### **1. WORKS REPORT COVERING DECEMBER 2014**

***RECOMMENDATION*** That this report be received and noted.

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- Works Report December 2014

**DIRECTOR OF ENGINEERING'S REPORTS  
TO FEBRUARY 2015 COUNCIL MEETING**

19<sup>th</sup> January 2015

**1 WORKS REPORT COVERING DECEMBER 2014**

**RECOMMENDATION:** That this report be received and noted.

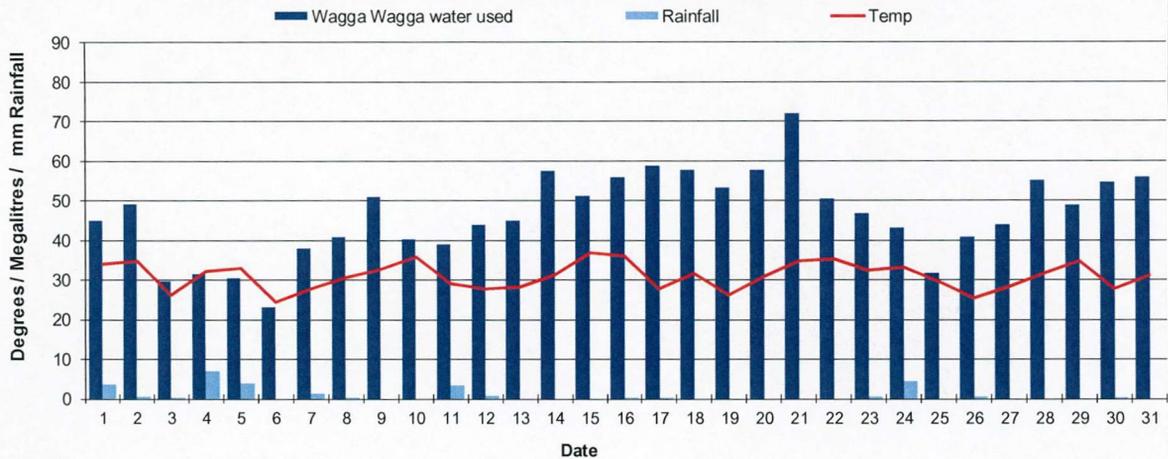
**1.1 WATER SOURCED AND USED**

| <b>December</b>                         | <b>2012</b>     | <b>2013</b>     | <b>2014</b>     |
|---|-----------------|-----------------|-----------------|
| Rainfall                                | 57              | 6               | 27.0            |
| Wet Days                                | 4               | 4               | 15              |
| <b>WATER SOURCED December 2014 (MI)</b> |                 |                 |                 |
| North Wagga bores                       | 240.68          | 279.72          | 255.86          |
| West Wagga bores                        | 666.36          | 718.16          | 633.34          |
| East Wagga bores                        | 279.96          | 385.55          | 315.97          |
| Murrumbidgee River                      | 394.20          | 460.45          | 361.14          |
| <b>SUB-TOTAL</b>                        | <b>1,581.20</b> | <b>1,843.88</b> | <b>1,566.31</b> |
| Bulgary Bores                           | 56.65           | 55.03           | 59.53           |
| Urana Source                            | 8.27            | 9.36            | 11.33           |
| Ralvona Bores                           | 30.52           | 39.58           | 33.04           |
| Walla Walla Bores                       | 32.22           | 34.78           | 34.58           |
| Goldenfields Water Supply System        | 6.04            | 4.04            | 3.27            |
| <b>SUB-TOTAL</b>                        | <b>133.70</b>   | <b>142.79</b>   | <b>141.75</b>   |
| Woomargama                              | 2.04            | 2.20            | 1.95            |
| Humula                                  | 0.96            | 1.05            | 1.02            |
| Tarcutta                                | 4.83            | 6.80            | 4.27            |
| Oura                                    | 6.00            | 6.74            | 3.74            |
| Walbundrie/Rand                         | 3.74            | 3.89            | 5.29            |
| Morundah                                | 1.14            | 1.13            | 1.36            |
| Collingullie                            | 8.04            | 9.11            | 8.92            |
| <b>SUB-TOTAL</b>                        | <b>26.75</b>    | <b>30.92</b>    | <b>26.55</b>    |
| <b>TOTALS</b>                           | <b>1,741.65</b> | <b>2,017.59</b> | <b>1,734.61</b> |

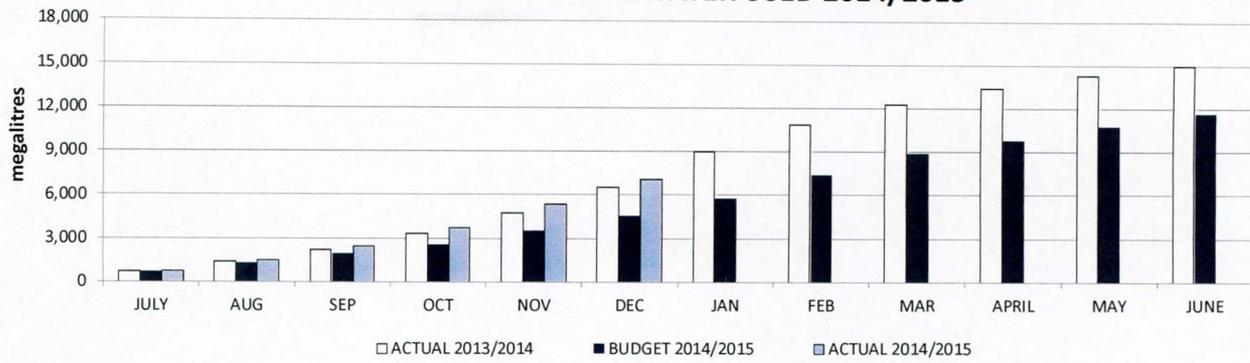
## WATER USED December 2014 (MI)

|                                      | 2012            | 2013            | 2014            |
|--------------------------------------|-----------------|-----------------|-----------------|
| East Bomen                           | 21.14           | 28.84           | 25.62           |
| Estella                              | 98.33           | 118.11          | 83.67           |
| North Wagga                          | 85.02           | 92.45           | 104.00          |
| Wagga Wagga – Low Level              | 234.19          | 251.41          | 213.61          |
| Wagga Wagga – High Level             | 871.82          | 1,035.52        | 839.17          |
| Wagga Wagga – Bellevue Level         | 121.93          | 105.33          | 102.23          |
| <b>SUB-TOTAL</b>                     | <b>1,432.43</b> | <b>1,631.66</b> | <b>1,368.30</b> |
| Ladysmith System                     | 7.91            | 12.53           | 9.18            |
| Brucedale Scheme                     | 28.36           | 30.06           | 28.37           |
| Currawarna Scheme                    | 16.43           | 17.72           | 20.77           |
| Rural south from Wagga Wagga         | 130.59          | 157.21          | 143.96          |
| Rural from Walla Walla Bore          | 32.22           | 34.78           | 34.58           |
| Bulgary, Lockhart and Boree Creek    | 31.30           | 34.83           | 41.64           |
| From Boree Crk to Urana and Oaklands | 30.49           | 30.20           | 30.29           |
| Holbrook                             | 30.52           | 39.58           | 33.04           |
| <b>SUB-TOTAL</b>                     | <b>307.82</b>   | <b>356.91</b>   | <b>341.83</b>   |
| Woomargama                           | 2.04            | 2.20            | 1.95            |
| Humula                               | 0.96            | 1.05            | 1.02            |
| Tarcutta                             | 4.83            | 6.80            | 4.27            |
| Oura                                 | 6.00            | 6.74            | 3.74            |
| Walbundrie/Rand                      | 3.74            | 3.89            | 5.29            |
| Morundah                             | 1.14            | 1.13            | 1.36            |
| Collingullie                         | 8.04            | 9.11            | 8.92            |
| <b>SUB-TOTAL</b>                     | <b>26.75</b>    | <b>30.92</b>    | <b>26.55</b>    |
| <b>TOTALS</b>                        | <b>1,767.00</b> | <b>2,019.49</b> | <b>1,736.68</b> |

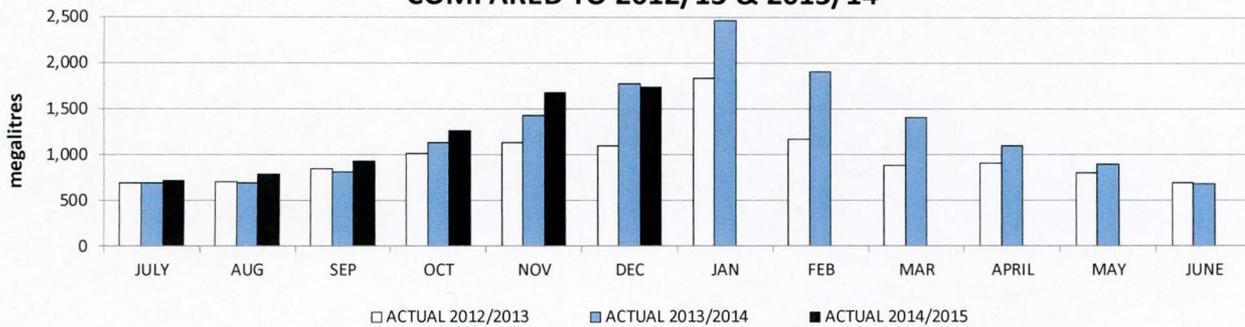
### DAILY WATER USED, WAGGA WAGGA, December 2014



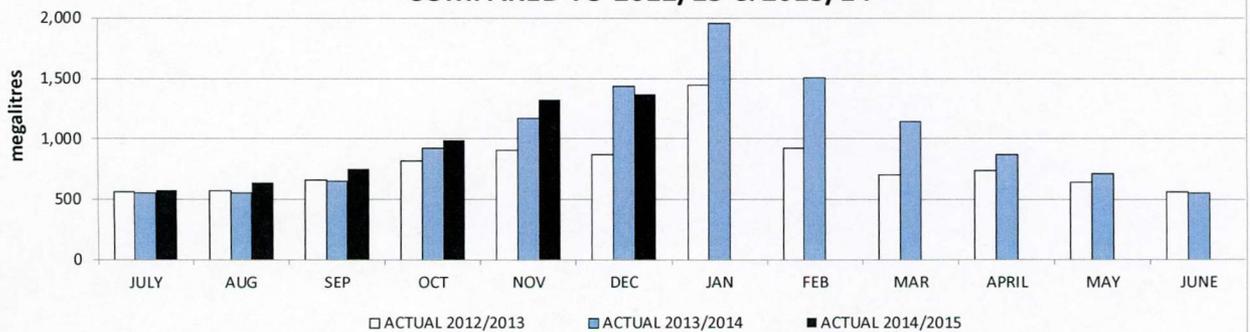
### TOTAL CUMULATIVE WATER USED 2014/2015



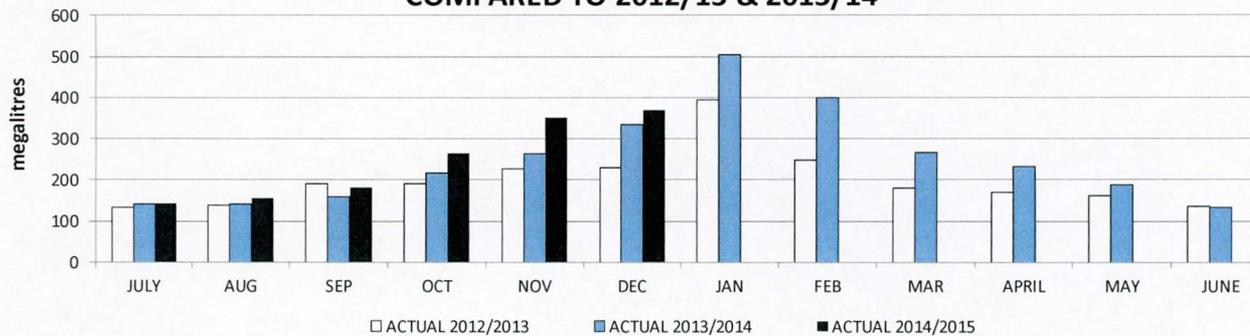
### MONTHLY TOTAL WATER USED 2014/15 COMPARED TO 2012/13 & 2013/14



### MONTHLY WAGGA WATER USED 2014/15 COMPARED TO 2012/13 & 2013/14



### MONTHLY RURAL WATER USED 2014/15 COMPARED TO 2012/13 & 2013/14



**1.2 NEW SERVICE CONNECTIONS, REPAIRS, METERS, LOCATIONS & COMPLAINTS FOR THE MONTH OF DECEMBER 2014**

| 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          | 11                        |                               | 3                | 17                | 6                  | 9                   |                              |                  |              | 50                       | 5                          | 5         |
| Brucedale      |                           |                               |                  | 2                 |                    |                     |                              |                  |              |                          |                            |           |
| Currawarna     | 1                         |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Euberta        |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Humula         |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Ladysmith      |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Oura           |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| San Isidore    |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Tarcutta       |                           |                               |                  |                   |                    |                     |                              |                  |              | 1                        |                            |           |
| The Gap        |                           |                               |                  | 1                 |                    | 2                   |                              |                  |              | 1                        |                            |           |
| Bulgary        |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Collingullie   |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| French Park    |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Lockhart       |                           |                               | 1                |                   |                    |                     |                              |                  |              |                          |                            |           |
| Mangoplah      |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Milbrulong     |                           |                               |                  | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| Pleasant Hills |                           |                               |                  | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| The Rock       |                           |                               |                  |                   |                    |                     |                              |                  |              |                          | 1                          |           |
| Uranquinty     |                           |                               | 1                |                   |                    |                     |                              |                  |              |                          |                            |           |
| Yerong Creek   |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Culcairn       |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Henty          |                           |                               |                  | 1                 |                    |                     |                              |                  |              | 1                        |                            |           |
| Holbrook       |                           |                               |                  | 1                 |                    |                     |                              |                  |              | 2                        |                            | 1         |
| Morven         |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Walbundrie     |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Walla Walla    | 1                         |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Woomargama     |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Boree Creek    |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Morundah       |                           |                               |                  | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| Oaklands       |                           |                               |                  | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| Rand           |                           |                               |                  |                   | 1                  |                     |                              |                  |              |                          |                            |           |
| Urana          |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| <b>TOTAL</b>   | 13                        | 0                             | 5                | 26                | 7                  | 11                  | 0                            | 0                | 0            | 55                       | 6                          | 6         |

### 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 |
| 8                | Northcott Parade | Mt Austin   | 100 AC    | Pipe Failure (not specified)   | No                          | 2:30                           | 5                              | 10            |
| 10               | 184 Morgan St    | Wagga Wagga | 100 AC    | Tree Roots                     | Yes                         | 0:00                           | 0                              | 10            |
| 17               | Hampden Ave      | Wagga Wagga | 100 CI    | Pipe Failure - Ground Movement | Yes                         | 0:00                           | 0                              | 10            |
| 20               | 54 Jack Ave      | Mt Austin   | 150 AC    | T/ Band Broken/Leaking         | Yes                         | 0:00                           | 0                              | 5             |
| 20               | 115 Grove St     | Koorinal    | 150 AC    | Pipe Failure (not specified)   | No                          | 2:00                           | 17                             | 5             |
| 21               | 27 Heydon Ave    | Turvey Park | 100 AC    | Tree Roots                     | Yes                         | 0:00                           | 0                              | 10            |
| 25               | 17 Wau Place     | Ashmont     | 100 AC    | Pipe Failure - Ground Movement | Yes                         | 0:00                           | 11                             | 10            |
| <b>TOTALS</b>    |                  |             |           |                                |                             | 4:30                           | 33                             | 60            |
| Total Breaks – 7 |                  |             |           |                                | Breaks needing shut off - 2 | Breaks affecting customers – 3 |                                |               |

| RURAL            |                      |           |           |                                |                             |                                |                                |               |
|------------------|----------------------|-----------|-----------|--------------------------------|-----------------------------|--------------------------------|--------------------------------|---------------|
| Date             | Location             | Town      | Main Type | Cause                          | Live Repair                 | Outage Duration Time           | Customers Affected (no supply) | Water Lost KI |
| 2                | Cox St               | Mangoplah | 75 AC     | Accidental damage              | Yes                         | 0:00                           | 0                              | 20            |
| 3                | Gap Hall/Downside Rd | The Gap   | 100 WPVC  | Leaking SS clamp               | Yes                         | 0:00                           | 0                              | 10            |
| 8                | Narrandera Rd        | Lockhart  | 40 PVC    | Pipe Failure - Ground Movement | Yes                         | 0:00                           | 0                              | 6             |
| 9                | Old Narrandera Rd    | The Gap   | 80 PVC    | Pipe Failure - Ground Movement | Yes                         | 0:00                           | 0                              | 10            |
| 10               | River Rd             | The Gap   | 80 PVC    | Leaking collar                 | No                          | 3:00                           | 0                              | 20            |
| 15               | Gap Hall Rd          | The Gap   | 100 WPVC  | Pipe Failure (not specified)   | Yes                         | 0:00                           | 0                              | 10            |
| 25               | 60 Frederick St      | Urana     | 100 AC    | Leaking collar                 | No                          | 1:45                           | 15                             | 6             |
| 26               | Sladden St           | Henty     | 200 AC    | Pipe Failure - Ground Movement | No                          | 6:00                           | 0                              | 80            |
| 6                | Osborne St           | Urana     | 200 WPVC  | Leaking collar                 | No                          | 3:00                           | 1                              | 1             |
| <b>TOTALS</b>    |                      |           |           |                                |                             | 13:45                          | 16                             | 163           |
| Total Breaks – 9 |                      |           |           |                                | Breaks needing shut off - 4 | Breaks affecting customers – 2 |                                |               |

## 1.4 WATER QUALITY COMPLAINTS

Water quality complaints received during December 2014 were:

| Date       | Location                     | Problem     | Action Taken                       |
|------------|------------------------------|-------------|------------------------------------|
| 2/12/2014  | 57 Grove St, Koorungal       | Dirty water | Flushed service. Old gal. pipe     |
| 2/12/2014  | 8 Gossett st, Wagga Wagga    | Dirty water | Flushed service. WWCC taking water |
| 3/12/2014  | Mahonga Rd, Rand             | Dirty water | Flushed main & service             |
| 9/12/2014  | 1/28 Kenneally St, Koorungal | Milky water | Flushed service                    |
| 15/12/2014 | 2/27 Kenneally St, Koorungal | Dirty water | Flushed main & service             |
| 18/12/2014 | Rogers Pl, Wagga             | Dirty water | Flushed main.                      |

## 1.5 MAINS CONSTRUCTIONS

### 1.5.1 MAINS EXTENSIONS AND NEW WORKS

New water mains laid during December 2014 include:

| LOCATION               | PROJECT         | 100  |
|------------------------|-----------------|------|
|                        |                 | DICL |
| Morgan St, Wagga Wagga | Mains Extension | 83   |
|                        | <b>TOTAL</b>    | 83   |

### 1.5.2 REPLACEMENT OF EXISTING MAINS

Mains replaced during December 2014 include:

| LOCATION                 | PROJECT           | 100  |      | 150  | 600  |
|--------------------------|-------------------|------|------|------|------|
|                          |                   | OPVC | DICL | OPVC | DICL |
| Hammond Ave, Wagga Wagga | Mains Replacement |      |      |      | 22   |
| Downside The Gap         | Mains Replacement | 6    | 24   |      |      |
| Morven                   | Mains Replacement |      |      | 2112 |      |
|                          | <b>TOTAL</b>      | 6    | 24   | 2112 | 22   |

## 1.6 OTHER CONSTRUCTION

No construction works during December 2014.

## 1.7 MAJOR REPAIRS / OVERHAULS

Major repairs/overhauls during December 2014 include:

| LOCATION OR PROJECT          | WORK DONE                             |
|------------------------------|---------------------------------------|
| Oura Bore #1                 | Replace Motor                         |
| Waterworks L/L Pump #3       | Replace VSD                           |
| West Wagga Bore #1           | Replace Motor                         |
| Hypochlorite System Upgrades | Oaklands, Urana & Lockhart Reservoirs |
| Waterworks                   | 5 & 6 Pumps Raw Watermain - Replace   |

## 1.8 WATER FILLING STATION ACTIVITY

Water Filling Station activity during December 2014 include:

| LOCATION       | NUMBER OF FILLS |
|----------------|-----------------|
| Red Hill Road  | 139             |
| Plumpton Road  | 69              |
| Estella        | 177             |
| Bomen          | 6               |
| Gregadoo Road  | Out of Service  |
| Forest Hill    | Out of Service  |
| Lockhart       | 27              |
| Holbrook       | 38              |
| Henty          | 8               |
| Yerong Creek   | 5               |
| Pleasant Hills | 1               |

## 1.9 STAFF TRAINING & SAFETY

The following training and/or safety activities were undertaken during December 2014:

| Training or Programme | Number of Staff |
|-----------------------|-----------------|
| First Aid Training    | 1               |

## 1.10 FLEET DISPOSALS

No fleet disposals made during December 2014.

## 1.11 FLEET ACQUISITIONS

Fleet acquisitions made during December 2014 are:

| New Vehicle Details |                  |                   |                         |                  |               |
|---------------------|------------------|-------------------|-------------------------|------------------|---------------|
| Vehicle No          | Tenders Received | Accepted Tenderer | Vehicle Type            | Make & Model     | Price exc GST |
| 328                 | 5                | Norwood           | 4x4 Backhoe             | JCB 3CX          | \$146,650     |
| 329                 | 5                | Capital Equipment | 3t Excavator            | Kobelco          | \$51,364      |
| 330                 | 4                | Wagga Motors      | 4x4 Extra Cab with Tray | Isuzu D-Max      | \$29,097      |
| 332                 | 4                | Wagga Motors      | 4X4 Dual Cab Ute        | Isuzu D-Max      | \$32,873      |
| 333                 | 4                | Wagga Motors      | 4X4 Dual Cab with Tray  | Isuzu D-Max      | \$29,655      |
| 334                 | 6                | Wagga Motors      | SUV Wagon               | Hyundai Santa Fe | \$35,450      |
| 335                 | 3                | Capital Equipment | Trailer for Excavator   | Surweld          | \$12,000      |



Bede Spannagle  
DIRECTOR OF ENGINEERING

## 2. WORKS REPORT COVERING JANUARY 2015

**RECOMMENDATION** That this report be received and noted.

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- Works Report January 2015



Bede Spannagle  
DIRECTOR OF ENGINEERING

**DIRECTOR OF ENGINEERING'S REPORTS  
TO FEBRUARY 2015 COUNCIL MEETING**

16th February 2015

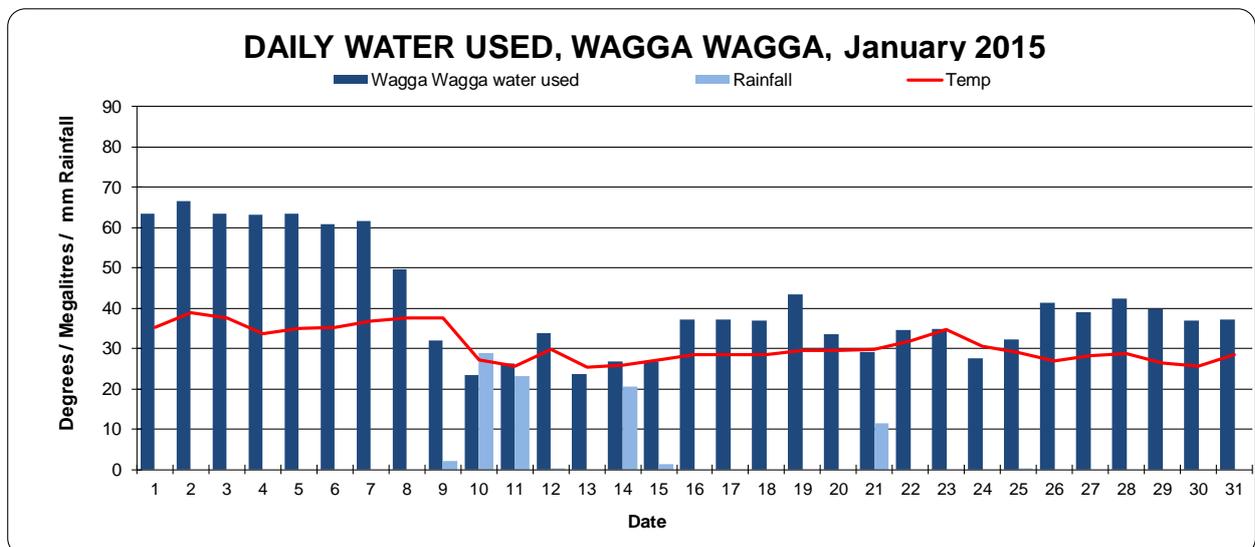
**1 WORKS REPORT COVERING JANUARY 2015**

**RECOMMENDATION:** That this report be received and noted.

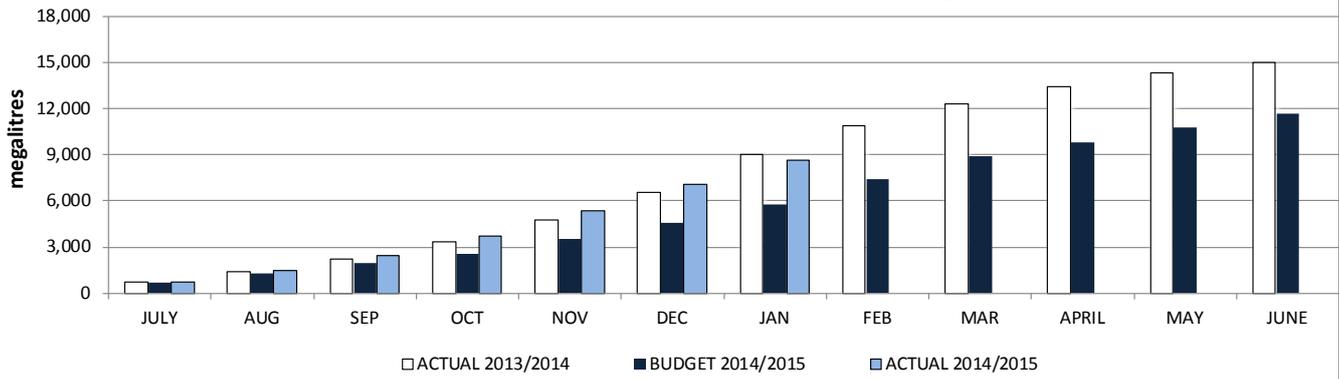
**1.1 WATER SOURCED AND USED**

| <b>January</b>                         | <b>2013</b>     | <b>2014</b>     | <b>2015</b>     |
|--|-----------------|-----------------|-----------------|
| Rainfall                               | 12.6            | 17.8            | 87.6            |
| Wet Days                               | 5               | 3               | 8               |
| <b>WATER SOURCED January 2015 (MI)</b> |                 |                 |                 |
| North Wagga bores                      | 302.96          | 322.87          | 226.69          |
| West Wagga bores                       | 743.87          | 734.39          | 550.85          |
| East Wagga bores                       | 548.93          | 529.10          | 247.86          |
| Murrumbidgee River                     | 607.54          | 560.79          | 363.91          |
| <b>SUB-TOTAL</b>                       | <b>2,203.30</b> | <b>2,147.15</b> | <b>1,389.31</b> |
| Bulgary Bores                          | 76.33           | 68.73           | 54.58           |
| Urana Source                           | 13.03           | 12.39           | 9.12            |
| Ralvona Bores                          | 48.80           | 44.38           | 0.00            |
| Walla Walla Bores                      | 38.85           | 40.88           | 32.17           |
| Goldenfields Water Supply System       | 6.18            | 4.74            | 3.05            |
| <b>SUB-TOTAL</b>                       | <b>183.19</b>   | <b>171.12</b>   | <b>98.92</b>    |
| Woomargama                             | 3.41            | 2.75            | 1.76            |
| Humula                                 | 1.29            | 1.31            | 0.96            |
| Tarcutta                               | 7.06            | 7.92            | 4.22            |
| Oura                                   | 7.64            | 8.47            | 3.67            |
| Walbundrie/Rand                        | 5.50            | 5.62            | 3.70            |
| Morundah                               | 1.76            | 1.32            | 1.17            |
| Collingullie                           | 11.68           | 10.45           | 6.80            |
| <b>SUB-TOTAL</b>                       | <b>38.34</b>    | <b>37.84</b>    | <b>22.28</b>    |
| <b>TOTALS</b>                          | <b>2,424.83</b> | <b>2,356.11</b> | <b>1,510.51</b> |

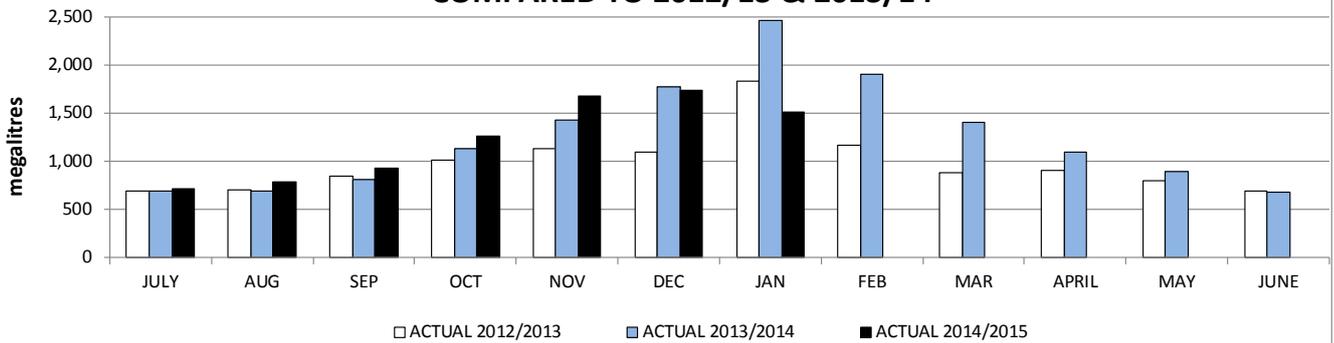
| WATER USED January 2015 (MI)         |                 |                 |                 |
|--------------------------------------|-----------------|-----------------|-----------------|
|                                      | 2013            | 2014            | 2015            |
| East Bomen                           | 28.84           | 39.85           | 24.44           |
| Estella                              | 106.37          | 123.56          | 78.00           |
| North Wagga                          | 107.74          | 90.02           | 94.12           |
| Wagga Wagga – Low Level              | 294.50          | 278.75          | 199.66          |
| Wagga Wagga – High Level             | 1,295.65        | 1,160.09        | 666.50          |
| Wagga Wagga – Bellevue Level         | 124.65          | 186.53          | 142.89          |
| <b>SUB-TOTAL</b>                     | <b>1,957.75</b> | <b>1,878.80</b> | <b>1,205.61</b> |
| Ladysmith System                     | 6.33            | 13.89           | 6.70            |
| Brucedale Scheme                     | 45.55           | 47.71           | 23.62           |
| Currawarna Scheme                    | 23.60           | 30.69           | 12.48           |
| Rural south from Wagga Wagga         | 217.29          | 168.04          | 139.66          |
| Rural from Walla Walla Bore          | 38.85           | 40.88           | 32.17           |
| Bulgary, Lockhart and Boree Creek    | 46.39           | 44.49           | 38.50           |
| From Boree Crk to Urana and Oaklands | 39.09           | 35.85           | 26.23           |
| Holbrook                             | 48.80           | 44.38           | 0.00            |
| <b>SUB-TOTAL</b>                     | <b>465.90</b>   | <b>425.93</b>   | <b>279.36</b>   |
| Woomargama                           | 3.41            | 2.75            | 1.76            |
| Humula                               | 1.29            | 1.31            | 0.96            |
| Tarcutta                             | 7.06            | 7.92            | 4.22            |
| Oura                                 | 7.64            | 8.47            | 3.67            |
| Walbundrie/Rand                      | 5.50            | 5.62            | 3.70            |
| Morundah                             | 1.76            | 1.32            | 1.17            |
| Collingullie                         | 11.68           | 10.45           | 6.80            |
| <b>SUB-TOTAL</b>                     | <b>38.34</b>    | <b>37.84</b>    | <b>22.28</b>    |
| <b>TOTALS</b>                        | <b>2,461.99</b> | <b>2,342.57</b> | <b>1,507.25</b> |



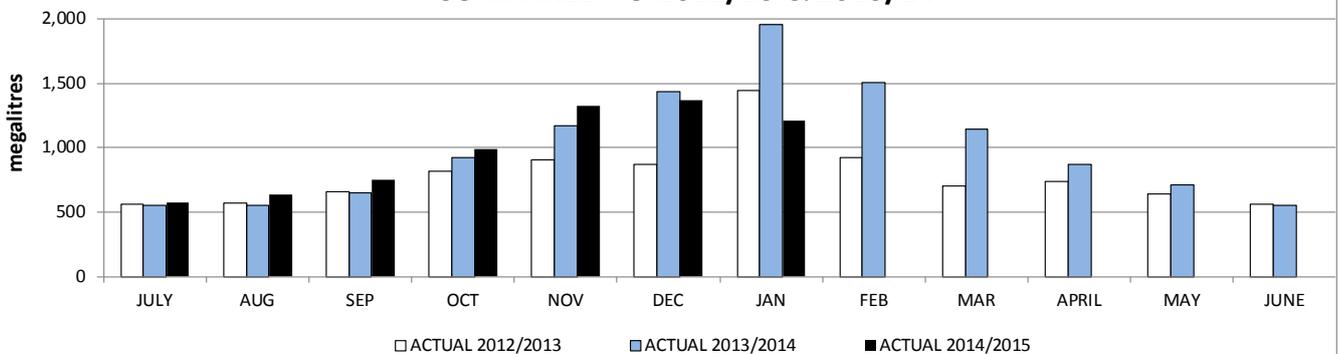
### TOTAL CUMULATIVE WATER USED 2014/2015



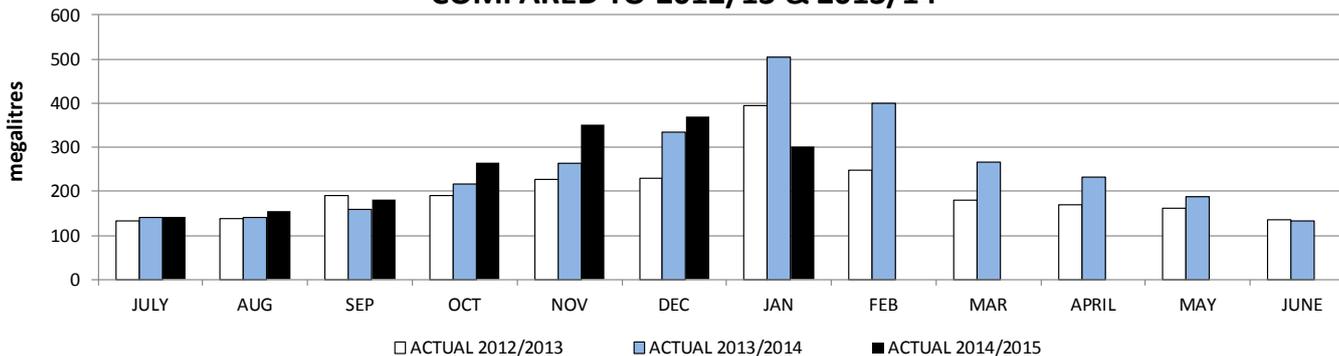
### MONTHLY TOTAL WATER USED 2014/15 COMPARED TO 2012/13 & 2013/14



### MONTHLY WAGGA WATER USED 2014/15 COMPARED TO 2012/13 & 2013/14



### MONTHLY RURAL WATER USED 2014/15 COMPARED TO 2012/13 & 2013/14



**1.2 NEW SERVICE CONNECTIONS, REPAIRS, METERS, LOCATIONS & COMPLAINTS FOR THE MONTH OF JANUARY 2015**

| 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          | 17                        |                               |                  | 13                | 5                  | 3                   |                              |                  |              | 42                       | 4                          | 9         |
| Brucevale      |                           |                               |                  |                   |                    | 1                   |                              |                  |              |                          |                            |           |
| Currawarna     |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Euberta        |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Humula         |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Ladysmith      |                           |                               |                  |                   |                    | 2                   |                              |                  |              |                          |                            |           |
| Oura           |                           |                               |                  |                   |                    |                     |                              |                  |              | 1                        |                            |           |
| San Isidore    |                           |                               |                  |                   |                    |                     |                              |                  |              |                          | 2                          |           |
| Tarcutta       |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| The Gap        |                           |                               |                  |                   |                    |                     |                              |                  |              | 1                        |                            |           |
| Bulgary        |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Collingullie   |                           |                               |                  | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| French Park    |                           |                               |                  | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| Lockhart       |                           |                               |                  |                   |                    |                     |                              |                  |              | 2                        | 1                          |           |
| Mangoplah      |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Milbrulong     |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Pleasant Hills |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| The Rock       |                           |                               |                  | 1                 | 1                  |                     |                              |                  |              | 1                        |                            |           |
| Uranquinty     |                           |                               |                  | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| Yerong Creek   |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Culcairn       |                           |                               |                  |                   |                    |                     |                              |                  |              | 1                        |                            |           |
| Henty          |                           |                               |                  | 1                 |                    |                     |                              |                  |              | 2                        |                            |           |
| Holbrook       |                           |                               |                  |                   |                    |                     |                              |                  |              | 3                        |                            | 1         |
| Morven         |                           |                               |                  |                   |                    |                     |                              |                  |              | 1                        |                            |           |
| Walbundrie     |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Walla Walla    |                           |                               |                  |                   |                    |                     |                              |                  |              | 2                        |                            |           |
| Woomargama     |                           |                               |                  | 2                 |                    |                     |                              |                  |              | 2                        |                            |           |
| Boree Creek    |                           |                               |                  |                   |                    |                     |                              |                  |              |                          | 1                          |           |
| Morundah       |                           |                               | 1                | 1                 |                    |                     |                              |                  |              |                          |                            |           |
| Oaklands       |                           |                               |                  |                   |                    |                     |                              |                  |              |                          |                            |           |
| Rand           |                           |                               |                  | 3                 |                    |                     |                              |                  |              |                          |                            |           |
| Urana          |                           |                               |                  |                   |                    |                     |                              |                  |              | 1                        |                            |           |
| <b>TOTAL</b>   | 17                        | 0                             | 1                | 24                | 6                  | 6                   | 0                            | 0                | 0            | 59                       | 8                          | 10        |

### 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 |
| 4              | 9 Inglis St         | Lake Albert | 100 AC    | Pipe Failure - Ground Movement | No                        | 0:30                 | 23                             | 10            |
| 4              | 20A Doyle Ave       | Wagga Wagga | 100 AC    | Pipe Failure - Ground Movement | No                        | 2:30                 | 21                             | 10            |
| 14             | Menzies Ave         | Koorngal    | 100 AC    | Pipe Failure (not specified)   | Yes                       | 0:00                 | 0                              | 10            |
| 10             | Angel/Inglis St     | Lake Albert | 100 AC    | Pipe Failure - Ground Movement | No                        | 3:00                 | 17                             | 20            |
| 19             | 82 Narrung St       | Wagga Wagga | 100 WPVC  | Pipe Failure (not specified)   | No                        | 0:30                 | 10                             | 5             |
| 14             | 80 Plumpton Rd      | Wagga Wagga | 80 PVC    | Pipe Failure (not specified)   | Yes                       | 0:00                 | 0                              | 8             |
| 16             | Huthwaite/McKell St | Mt Austin   | 150 AC    | Pipe Failure (not specified)   | No                        |                      | 38                             | 20            |
| 18             | 194 Morgan St       | Wagga Wagga | 100 AC    | Pipe Failure (not specified)   | No                        | 3:30                 | 12                             | 10            |
| 28             | 132 Riverview Rd    | Ashmont     | 150 BPVC  | Pipe Failure (not specified)   | No                        |                      | 5                              | 15            |
| 26             | Urana St            | Turvey Park | 375 CI    | Pipe Failure (not specified)   | No                        | 0:00                 | 0                              | 40            |
| <b>TOTALS</b>  |                     |             |           |                                |                           | 10:30                | 126                            | 148           |
|                |                     |             |           |                                | Breaks needing shut off - | 8                    | Breaks affecting customers -   | 7             |
| Total Breaks - |                     | 10          |           |                                |                           |                      |                                |               |

| RURAL |                |              |           |                              |             |                      |                                |               |
|-------|----------------|--------------|-----------|------------------------------|-------------|----------------------|--------------------------------|---------------|
| Date  | Location       | Town         | Main Type | Cause                        | Live Repair | Outage Duration Time | Customers Affected (no supply) | Water Lost KI |
| 1     | 29 Wilson St   | The Rock     | 100 AC    | Pipe Failure (not specified) | Yes         | 0:00                 | 0                              | 4             |
| 2     | 9 Kindra St    | Rand         | 100 AC    | Pipe Failure (not specified) | Yes         | 0:00                 | 0                              | 10            |
| 2     | Mountain View  | Walla Walla  | 100 AC    | Pipe Failure (not specified) | No          | 2:30                 | 0                              | 20            |
| 4     | Mountain View  | Walla Walla  | 100 AC    | Leaking Gibault              | Yes         | 0:00                 | 0                              | 5             |
| 5     | 1 Cummins Rd   | Walla Walla  | 75 AC     | Pipe Failure (not specified) | Yes         | 0:00                 | 0                              | 15            |
| 6     | Cobdens Ln     | The Gap      | 63 PE     | Leaking SS clamp             | Yes         | 0:00                 | 0                              | 5             |
| 7     | 9 Fox St       | Henty        | 100 AC    | Pipe Failure (not specified) | Yes         | 0:00                 | 0                              | 12            |
| 8     | 7 Macdonald St | Collingullie | 100 WPVC  | Pipe Failure (not specified) | Yes         | 0:00                 | 0                              | 10            |
| 9     | Cobdens Lane   | The Gap      | 63 PE     | Pipe Failure (not specified) | No          | 2:00                 | 0                              | 5             |
| 9     | Bidgeemia Rd   | Bidgeemia    | 63 PE     | Pipe Failure (not specified) | No          | 1:30                 | 1                              | 2             |
| 11    | 11 Fleet St    | Holbrook     | 100 AC    | Pipe Failure (not specified) | Yes         | 0:00                 | 0                              | 1             |

|                   |                     |                |          |                                |                  |               |    |     |
|-------------------|---------------------|----------------|----------|--------------------------------|------------------|---------------|----|-----|
| 12                | Gap Hall/Coolamon   | The Gap        | 100 WPVC | Pipe Failure - Ground Movement | Yes              | 0:00          | 0  | 10  |
| 12                | Clancys Lane        | Pleasant Hills | 32 PVC   | Tree Roots                     | No               | 1:45          | 3  | 2   |
| 14                | 145 Eldershaws Lane | The Gap        | 80 PVC   | Pipe Failure (not specified)   | Yes              | 0:00          | 0  | 8   |
| 15                | Cobdens Lne         | The Gap        | 63 PE    | Pipe Failure (not specified)   | Yes              | 0:00          | 0  | 7   |
| 14                | Urana Rd            | Bidgeemia      | 63 PE    | Pipe Failure - Ground Movement | No               | 22:00         | 1  | 35  |
| 15                | Woomargama          | Woomargama     | 100 AC   | Tree Roots                     | Yes              | 0:00          | 0  | 15  |
| 10                | Eldershaws Lane     | Brucedale      | 80 PVC   | Pipe Failure (not specified)   | Yes              | 0:00          | 0  | 10  |
| 12                | Cobdens Lane        | The Gap        | 63 PE    | Pipe Failure (not specified)   | Yes              | 0:00          | 0  | 8   |
| 20                | 199 Alleynside Rd   | Brucedale      | 63 PE    | Pipe Failure (not specified)   | Yes              | 0:00          | 0  | 5   |
| 21                | Holbrook Rd         | Morven         | 150 AC   | Pipe Failure - Ground Movement | Yes              | 0:00          | 0  | 10  |
| 22                | 239 Coolamon Rd     | Brucedale      | 40 PE    | Pipe Failure (not specified)   | No               | 0:30          | 0  | 3   |
| 28                | 199 Alleynside Rd   | The Gap        | 63 PE    | Pipe Failure (not specified)   | Yes              | 0:00          | 0  | 5   |
| 23                | Narrandera Rd       | Lockhart       | 63 PE    | Pipe Failure - Ground Movement | Yes              | 0:00          | 0  | 9   |
| 27                | Olympic Hwy         | Culcairn       | 200 AC   | Pipe Failure - Ground Movement | No               | 16:00         | 28 | 98  |
| 25                | Cobdens Ln          | The Gap        | 63 PE    | Pipe Failure - Ground Movement | Yes              | 0:30          | 0  | 5   |
| 30                | Sladen St           | Henty          | 200 AC   | Pipe Failure - Ground Movement | No               | 6:00          | 15 | 50  |
| <b>TOTALS</b>     |                     |                |          |                                |                  | 52:45         | 48 | 369 |
|                   |                     |                |          | Breaks needing                 | Breaks affecting |               |    |     |
| Total Breaks – 27 |                     |                |          | shut off -                     | 8                | customers – 5 |    |     |

#### 1.4 WATER QUALITY COMPLAINTS

Water quality complaints received during January 2015 were:

| Date       | Location                           | Problem               | Action Taken   |
|------------|------------------------------------|-----------------------|--|
| 8/01/2015  | 5/6 Lampe Ave, Wagga               | Yellow water          | Flushed service  |
| 16/01/2015 | 4 Thomas St, Wagga                 | Dirty water           | Flushed main   |
| 23/01/2015 | Wollundry Ave, Wagga               | Dirty water           | Flushed main   |
| 27/01/2015 | 37 Old Trunk Rd, The Rock          | Dirty water           | Removed meter. Flushed service. Turb=2.43NTU, Cl=0.49mg/L      |
| 30/01/2015 | 107 Macleay St, Turvey Park        | Strong chlorine smell | Cl at meter=0.92mg/L. Within ADWG.                             |
| 30/01/2015 | Lake Village Childcare, Lake Alber | Dirty water           | Due to the fire service being tested. Flushed centres service. |

## 1.5 MAINS CONSTRUCTIONS

### 1.5.1 MAINS EXTENSIONS AND NEW WORKS

New water mains laid during January 2015 include:

| LOCATION           | PROJECT         | 100<br>OPVC |
|--------------------|-----------------|-------------|
| Dunn's Road, Wagga | New Subdivision | 306         |
|                    | <b>TOTAL</b>    | <b>306</b>  |

### 1.5.2 REPLACEMENT OF EXISTING MAINS

Mains replaced during January 2015 include:

| LOCATION                  | PROJECT      | 150         | 375        | 450        |
|---------------------------|--------------|-------------|------------|------------|
|                           |              | OPVC        | DICL       | DICL       |
| West Wagga Southern Trunk | Upgrade      |             |            | 124        |
| West Wagga Pump House     | Upgrade      |             |            | 10         |
| Hammond Ave Bomen Main    | Replacement  |             | 215        |            |
| Morven Trunk Main         | Replacement  | 1058        |            |            |
|                           | <b>TOTAL</b> | <b>1058</b> | <b>215</b> | <b>134</b> |

## 1.6 OTHER CONSTRUCTION

No other construction works during January 2015.

## 1.7 MAJOR REPAIRS / OVERHAULS

Major repairs/overhauls during January 2015 include:

| LOCATION OR PROJECT              | WORK DONE  |
|----------------------------------|--|
| Tarcutta WTP                     | Drain & clean iron filter media & pipework                     |
| Tooyal Pump Station              | Overhaul #1 pump & #2 motor                                    |
| Ralvona #1 bore                  | Replace metering point   |
| West Wagga H/L                   | Remove valve actuators pump 1 & 2 & reconfigure control system |
| Ludwig Tanks                     | Remove & relocate controls - storm damage                      |
| Mangoplah Low level Pump Station | Overhaul pump  |
| Waterworks Plant #1 Fluoride     | Overhaul pump  |
| Walbundrie Reservoir             | Repair RTU   |

## 1.8 WATER FILLING STATION ACTIVITY

Water Filling Station activity during January 2015 include:

| LOCATION       | NUMBER OF FILLS |
|----------------|-----------------|
| Red Hill Road  | 136             |
| Plumpton Road  | 29              |
| Estella        | 97              |
| Bomen          | 6               |
| Gregadoo Road  | Out of Service  |
| Forest Hill    | Out of Service  |
| Lockhart       | 10              |
| Holbrook       | 40              |
| Henty          | 4               |
| Yerong Creek   | 9               |
| Pleasant Hills | 4               |

## 1.9 STAFF TRAINING & SAFETY

The following training and/or safety activities were undertaken during January 2015:

| Training or Programme | Number of Staff |
|-----------------------|-----------------|
| Laboratory Skills     | 2               |

## 1.10 FLEET DISPOSALS

Fleet disposals made during January 2015 are:

| Vehicle Details |                    |                         |                  |      |        |
|-----------------|--------------------|-------------------------|------------------|------|--------|
| Vehicle No      | Description        | Vehicle Type            | Make & Model     | Year | kms    |
| 256             | Assist. Operations | 4x4 Extra Cab with Tray | Ford Ranger      | 2010 | 77,130 |
| 258             | Welders            | 4x4 DualCab with Tray   | Isuzu D-Max      | 2010 | 71,940 |
| 309             | Water Quality      | SUV Wagon               | Hyundai Santa-Fe | 2013 | 81,438 |

| Disposal Details |                      |               |
|------------------|----------------------|---------------|
| Vehicle No       | Method               | Price exc GST |
| 256              | Auction - 07.01.2015 | \$15,545      |
| 258              | Auction - 14.01.2015 | \$20,727      |
| 309              | Auction - 14.01.2015 | \$27,091      |

## 1.11 FLEET ACQUISITIONS

Fleet acquisitions made during January 2015 are:

| <b>New Vehicle Details</b> |                         |                          |                     |                         |                      |
|----------------------------|-------------------------|--------------------------|---------------------|-------------------------|----------------------|
| <b>Vehicle No</b>          | <b>Tenders Received</b> | <b>Accepted Tenderer</b> | <b>Vehicle Type</b> | <b>Make &amp; Model</b> | <b>Price exc GST</b> |
| 331                        | 3                       | Hillis Ford              | 4x4 Extra Cab Ute   | PX Ranger               | \$33,034             |

## 1.12 MAJOR CAPITAL PROJECTS PROGRESS

|   |                                |
|---|--------------------------------|
|  | - On track                     |
|  | - Behind Schedule              |
|  | - Unlikely this Financial Year |

### MAJOR PROJECTS 2014/15 (> Over \$100,000) - January 2015

| Description  | 2014/15 Budget | Actual & Committed to Date | Comments  |
|--|----------------|----------------------------|---|
| <b>MANAGEMENT</b>  |                |                            |   |
| <b>Depot Buildings</b>   |                |                            |   |
| Store Building Hammond Ave - Urban   | \$3,500,000    | \$145,152                  | Construction scheduled to commence in March 2015.                                   |
| <b>Access, parking and Landscaping</b>   |                |                            |   |
| Levee protection Stage 1 Hammond Ave   | \$121,000      | \$26,490                   | Complete.   |
| Levee protection feasibility study/flood modeling/soil testing/Review of Environmental Factors - Wagga depot | \$500,000      | \$91,814                   | Detailed design to be completed by June 2015.                                       |
| <b>PLANT &amp; EQUIPMENT</b>   |                |                            |   |
| <b>IT Equipment</b>  |                |                            |   |
| Corporate IT software upgrade/improvements   | \$274,500      | \$153,362                  | Ongoing.  |
| <b>Working Plant &amp; Vehicle Purchases</b>   |                |                            |   |
| Routine plant & vehicle replacements   | \$1,275,000    | \$534,815                  | Ongoing.  |
| <b>Telemetry &amp; Control Systems Upgrade</b>   |                |                            |   |
| Radio Telemetry SCADA Upgrade  | \$135,000      | \$111,058                  | Stage 2 has commenced and is ongoing.   |
| <b>SOURCES</b>   |                |                            |   |
| <b>Bores-renew/refurbish/decommission</b>  |                |                            |   |
| Walla Walla Bore 1B or 2B - Non-Urban  | \$263,000      | \$198,300                  | Final electrical, mechanical fitout and minor site works to be completed in Autumn. |

|   |              |             |  |
|---|--------------|-------------|--|
| <b>TREATMENT PLANTS</b>                                 |              |             |  |
| <b>Aeration Tower Replacements</b>                      |              |             |  |
| East Wagga Aeration Tower                               | \$120,000    | \$88,911    | Construction of replacement stainless steel Aeration Towers completed. Awaiting installation.  |
| <b>Treatment Plant Refurbishments</b>                   |              |             |  |
| Underground powerlines - Urban                          | \$426,000    | \$1,111,148 | Project completed. Cost sharing with Essential Energy to be finalised.   |
| WTP Preliminaries and Tender Documentation - Urban      | \$0          | \$985,041   | Detailed design and tender documentation 99% complete.   |
| WTP stage 1   | \$10,000,000 | \$0         | Tenders open in Febraury with 8 week tender period. Construction expected to commence in July.   |
| Urana WTP replacement - Non-Urban                       | \$443,000    | \$1,446     | Candy tank to be replaced in Stainless Steel. Design has commenced.  |
|   |              |             |  |
| <b>PUMPING STATIONS</b>                                 |              |             |  |
| <b>Pump Stations Renewal/Refurbish/Upgrade</b>          |              |             |  |
| West Wagga Shires pump upgrade - Urban                  | \$100,000    | \$379,391   | Pump and internal pipework completed. External pumphouse pipework nearly completed. Design of High and Low Voltage electrical works completed. |
| Watson Road Mangoplah Pump Station Upgrade              | \$100,000    | \$6,407     | Quotations received. Installation scheduled for May.   |
| <b>Pump &amp; Motor Maintenance / Replacements</b>      |              |             |  |
| Pump & Motor Maintenance / Replacements - Urban         | \$120,000    | \$27,442    | Ongoing routine pump & motor maintenance. Carrying over various winter pump and motor maintenance into the start of next financial year        |
|   |              |             |  |
| <b>RESERVOIRS</b>                                       |              |             |  |
| <b>New Reservoirs</b>                                   |              |             |  |
| Woomargama Reservoir 3                                  | \$445,000    | \$4,160     | Reservoir size revisited and reduced.  |
| Mangoplah HL Reservoir Replacement/Upgrade - Non-Urban  | \$376,000    | \$318,454   | Tank and tower fabricated. Delivery to site and erected scheduled late February. Electrical and control systems design completed               |
| Collingullie Reservoir Upgrade - Non-Urban              | \$509,000    | \$18,315    | Draft specification under review. Land negotiations currently underway.  |
| Shires Reservoir Relocation - Non-Urban                 | \$1,481,000  | \$58,583    | Delayed by land matters - refer QBR report.  |
| Main Low Level Reservoir Investigation & Design - Urban | \$200,000    | \$12,200    | Investigation commenced. Suitable location identified at WW high school. Site survey completed and geotechnical investigations commenced.      |

| <b>MAINS, SERVICES &amp; METERS</b>                         |           |           |                    |
|---|-----------|-----------|--------------------|
| <b>MAINS</b>  |           |           |                    |
| <b>System Improvements</b>                                  |           |           |                    |
| System Improvements - Urban                                 | \$150,000 | \$8,543   | Ongoing.           |
| <b>Reticulation for Developers</b>                          |           |           |                    |
| Reticulation for Developers - Urban                         | \$800,000 | \$300,141 | Ongoing.           |
| <b>Renew Reticulation Mains</b>                             |           |           |                    |
| Lake Albert Rd Replacement                                  | \$142,000 | \$0       | Works programmed   |
| Flinders St Replacement                                     | \$100,000 | \$0       | Works programmed   |
| The Gap / Brucedale System - Urban                          | \$100,000 | \$49,651  | Completed.         |
| <b>Renew Trunk Mains</b>                                    |           |           |                    |
| Bomen trunk main A (south of river) - Urban                 | \$300,000 | \$79,123  | Works programmed   |
| Southern Trunk - Kapooka Highway Realignment 2km 450mm DICL | \$900,000 | \$865,878 | Completed.         |
| Southern Trunk - West Wagga to Kapooka 2.2km 450mm DICL     | \$890,000 | \$391,072 | In progress        |
| Southern Trunk - Highway to New Reservoir 1.8km 450mm DICL  | \$900,000 | \$33,570  | Not started.       |
| Low & High Level Rising Mains from CWS                      | \$420,000 | \$25,339  | Design in progress |
| Bulgary Bore Rising Main - 7.5km 200mm oPVC                 | \$400,000 | \$185,000 | Design in progress |
| Morven Balance tank to township (7km 150mm) - Non-Urban     | \$260,000 | \$192,471 | In progress        |
| Mountain View to Walla Reservoir (5.5km 100mm)              | \$300,000 | \$3,095   | Works programmed   |

|                                      |           |                  |          |
|--------------------------------------|-----------|------------------|----------|
| <b>SERVICES</b>                      |           |                  |          |
| <b>Service Connections, new</b>      |           |                  |          |
| Service Connections, new - Urban     | \$600,000 | <b>\$215,352</b> | Ongoing. |
| Service Connections, new - Non-Urban | \$100,000 | <b>\$16,678</b>  | Ongoing. |
| <b>Renew Services</b>                |           |                  |          |
| Renew Services - Urban               | \$120,000 | <b>\$12,703</b>  | Ongoing. |
| <b>METERS</b>                        |           |                  |          |
| <b>Water Meters Replacement</b>      |           |                  |          |
| Water meters replacement - Urban     | \$150,000 | <b>\$79,498</b>  | Ongoing. |



Bede Spannagle  
DIRECTOR OF ENGINEERING

## **QUESTIONS & STATEMENTS**

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

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