



22nd February 2018

NOTICE OF MEETING OF THE COUNCIL

The meeting of the Council will be held at

RIVERINA WATER COUNTY COUNCIL CHAMBERS,

91 HAMMOND AVENUE, WAGGA WAGGA

WEDNESDAY, 28th FEBRUARY 2018 at 9.30 am

and your attendance is requested accordingly.

9.00 am - Tour of proposed new Meeting Room

9.30 am - Council Meeting, followed by:

Budget Workshop, and

Light Lunch

Yours sincerely

A handwritten signature in black ink, appearing to read "A Crakanthorp", is written over a light blue horizontal line.

Andrew Crakanthorp
GENERAL MANAGER

*** AGENDA ***

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GENERAL MANAGER'S REPORT TO THE COUNCIL

BUSINESS WITH NOTICE

22nd February 2018

The Chairperson and Councillors:

1. FINANCIAL STATEMENTS - LIST OF INVESTMENTS

RECOMMENDED that the report detailing Council's external investments for the months of December 2017 and January 2018 be received.

-
- *Investments December 2017*
 - *Investments January 2018*

Monthly Investment Report as at 31/12/17

a) Council's Investments as at 31/12/17

| Investment | Inception Date | Term (Days) | Maturity Date | S&P Rating | Interest Rate (%) | Performance Benchmark | Benchmark Rate (%) | Percentage of Portfolio | Principal Value | Market Value |
|-----------------------------|----------------|-------------|---------------|------------|-------------------|-----------------------|--------------------|-------------------------|------------------------|------------------------|
| Term Deposits | | | | | | | | | | |
| ME Bank | 20/12/2017 | 90 | 20/03/18 | A-2 | 2.40 | BBSW | 1.63 | 4.605% | \$1,000,000.00 | \$1,000,000.00 |
| Defence Bank | 31/10/2017 | 91 | 30/01/18 | A-2 | 2.45 | BBSW | 1.63 | 6.907% | \$1,500,000.00 | \$1,500,000.00 |
| ANZ | 12/10/2017 | 90 | 10/01/18 | A-1+ | 2.40 | BBSW | 1.63 | 6.907% | \$1,500,000.00 | \$1,500,000.00 |
| ANZ | 10/10/2017 | 92 | 10/01/18 | A-1+ | 2.40 | BBSW | 1.63 | 6.907% | \$1,500,000.00 | \$1,500,000.00 |
| ME Bank | 5/12/2017 | 91 | 06/03/18 | A-2 | 2.40 | BBSW | 1.63 | 6.907% | \$1,500,000.00 | \$1,500,000.00 |
| ME Bank | 14/12/2017 | 90 | 14/03/18 | A-2 | 2.40 | BBSW | 1.63 | 4.605% | \$1,000,000.00 | \$1,000,000.00 |
| ME Bank | 20/12/2017 | 90 | 20/03/18 | A-2 | 2.40 | BBSW | 1.63 | 6.907% | \$1,500,000.00 | \$1,500,000.00 |
| National Australia Bank | 10/10/2017 | 92 | 10/01/18 | A-1+ | 2.47 | BBSW | 1.63 | 4.605% | \$1,000,000.00 | \$1,000,000.00 |
| National Australia Bank | 19/12/2017 | 91 | 20/03/18 | A-1+ | 2.43 | BBSW | 1.63 | 9.210% | \$2,000,000.00 | \$2,000,000.00 |
| National Australia Bank | 20/12/2017 | 90 | 20/03/18 | A-1+ | 2.43 | BBSW | 1.63 | 6.907% | \$1,500,000.00 | \$1,500,000.00 |
| National Australia Bank | 5/10/2017 | 96 | 09/01/18 | A-1+ | 2.48 | BBSW | 1.63 | 9.210% | \$2,000,000.00 | \$2,000,000.00 |
| | | | | | | | | 73.68% | \$16,000,000.00 | \$16,000,000.00 |
| Cash Deposit Account | | | | | | | | | | |
| T Corp | | | | A-1+ | 2.28 | Cash Rate | 1.50 | 14.29% | \$3,102,398.38 | \$3,102,398.38 |
| AMP | | | | A-1 | 2.05 | Cash Rate | 1.50 | 12.038% | \$2,614,319.72 | \$2,614,319.72 |
| | | | | | | | | 26.32% | \$5,716,718.10 | \$5,716,718.10 |
| TOTAL INVESTMENTS | | | | | | | | 100.00% | \$21,716,718.10 | \$21,716,718.10 |
| Cash at Bank | | | | | | | | | | \$1,204,250.87 |
| TOTAL FUNDS | | | | | | | | | | \$22,920,968.97 |

b) Application of Investment Funds

| Restricted Funds | Description | Value |
|-----------------------|--|------------------------|
| Externally Restricted | LIRS Loan Funds | \$0.00 |
| | | <u>\$0.00</u> |
| Internally Restricted | Employee Leave Entitlements (30% of ELE) | \$1,158,264.28 |
| | Asset Replacement | \$1,949,860.96 |
| | Loan Funds | \$0.00 |
| | Sales Fluctuation | \$5,000,000.00 |
| | | <u>\$8,108,125.24</u> |
| Unrestricted Funds | | \$14,812,843.73 |
| TOTAL FUNDS | | \$22,920,968.97 |

* 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 31/1/18

a) Council's Investments as at 31/1/18

| Investment | Inception Date | Term (Days) | Maturity Date | S&P Rating | Interest Rate (%) | Performance Benchmark | Benchmark Rate (%) | Percentage of Portfolio | Principal Value | Market Value |
|-----------------------------|----------------|----------------|------------------|---------------|----------------------|--------------------------|-----------------------|----------------------------|------------------------|------------------------|
| Term Deposits | | | | | | | | | | |
| ME Bank | 20/12/2017 | 90 | 20/03/18 | A-2 | 2.40 | BBSW | 1.63 | 4.583% | \$1,000,000.00 | \$1,000,000.00 |
| Defence Bank | 31/01/2018 | 90 | 01/05/18 | A-2 | 2.45 | BBSW | 1.63 | 6.874% | \$1,500,000.00 | \$1,500,000.00 |
| ME Bank | 11/01/2018 | 90 | 11/04/18 | A-2 | 2.50 | BBSW | 1.63 | 11.456% | \$2,500,000.00 | \$2,500,000.00 |
| National Australia Bank | 11/01/2018 | 90 | 11/04/18 | A-1+ | 2.44 | BBSW | 1.63 | 6.874% | \$1,500,000.00 | \$1,500,000.00 |
| ME Bank | 5/12/2017 | 91 | 06/03/18 | A-2 | 2.40 | BBSW | 1.63 | 6.874% | \$1,500,000.00 | \$1,500,000.00 |
| ME Bank | 14/12/2017 | 90 | 14/03/18 | A-2 | 2.40 | BBSW | 1.63 | 4.583% | \$1,000,000.00 | \$1,000,000.00 |
| ME Bank | 20/12/2017 | 90 | 20/03/18 | A-2 | 2.40 | BBSW | 1.63 | 6.874% | \$1,500,000.00 | \$1,500,000.00 |
| National Australia Bank | 10/01/2018 | 120 | 10/05/18 | A-1+ | 2.45 | BBSW | 1.65 | 4.583% | \$1,000,000.00 | \$1,000,000.00 |
| National Australia Bank | 19/12/2017 | 91 | 20/03/18 | A-1+ | 2.43 | BBSW | 1.63 | 9.165% | \$2,000,000.00 | \$2,000,000.00 |
| National Australia Bank | 20/12/2017 | 90 | 20/03/18 | A-1+ | 2.43 | BBSW | 1.63 | 6.874% | \$1,500,000.00 | \$1,500,000.00 |
| National Australia Bank | 9/01/2018 | 91 | 10/04/18 | A-1+ | 2.43 | BBSW | 1.63 | 9.165% | \$2,000,000.00 | \$2,000,000.00 |
| | | | | | | | | 77.90% | \$17,000,000.00 | \$17,000,000.00 |
| Cash Deposit Account | | | | | | | | | | |
| T Corp | | | | A-1+ | 2.23 | Cash Rate | 1.50 | 12.64% | \$2,757,909.67 | \$2,757,909.67 |
| AMP | | | | A-1 | 2.05 | Cash Rate | 1.50 | 9.460% | \$2,064,319.72 | \$2,064,319.72 |
| | | | | | | | | 22.10% | \$4,822,229.39 | \$4,822,229.39 |
| TOTAL INVESTMENTS | | | | | | | | 100.00% | \$21,822,229.39 | \$21,822,229.39 |
| Cash at Bank | | | | | | | | | | \$549,511.85 |
| TOTAL FUNDS | | | | | | | | | | \$22,371,741.24 |

b) Application of Investment Funds

| Restricted Funds | Description | Value |
|-----------------------|--|------------------------|
| Externally Restricted | LIRS Loan Funds | \$0.00 |
| | | <u>\$0.00</u> |
| Internally Restricted | Employee Leave Entitlements (30% of ELE) | \$1,158,264.28 |
| | Asset Replacement | \$2,091,192.96 |
| | Loan Funds | \$0.00 |
| | Sales Fluctuation | \$5,000,000.00 |
| | | <u>\$8,249,457.24</u> |
| Unrestricted Funds | | \$14,122,284.00 |
| TOTAL FUNDS | | \$22,371,741.24 |

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

CERTIFICATE

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

M. L. Curran

**M Curran
MANAGER CORPORATE SERVICES**

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

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

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

The anticipated Operating Result for 2017/2018 is a surplus of \$7,539,000. The Operating Result from the September 2017 review was a surplus of \$5,635,000. The Capital Works expenditure budget is in addition to this amount and is covered in the following paragraph. Proposed December quarterly review operational adjustments relate to:

- \$400,000 additional water sales due to out of the ordinary dry spring weather
- \$200,000 additional connection fees
- \$31,500 unanticipated worker's compensation scheme rebate
- \$1,200,000 additional S64 developer contributions
- Reallocation of wages to various maintenance works from overheads
- \$53,500 additional allocation to Council donations due to contribution towards water connection charges for Clay Target Assoc

Also included is a quarterly review of Capital Works Projects. The Proposed Capital Budget totals \$21,039,000. The Capital Budget from the September 2017 review was \$29,603,000. Proposed December quarterly review reductions total \$8,564,000, items of note include:

- \$166,000 deferral of Operations Office Refurbishment
- \$700,000 deferral of Levee construction
- \$155,000 deferral of Radio Telemetry upgrades
- \$160,000 deferral of East Wagga Aeration Basin Cover
- \$1,500,000 deferral of Water Treatment Plant roadworks, landscaping, old intake works
- \$1,300,000 deferral of Urana Treatment Plant construction
- \$4,500,000 deferral of Low Level Reservoir construction
- \$192,000 additional works on Rising Mains from CWS
- \$600,000 additional works for Rock – Milbrulong Trunk Mains Replacement
- \$400,000 deferral of New Low Level Reservoir Connection Main Refurbishment
- \$250,000 cancellation of remote metering trial

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*](#)

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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 31/12/17 indicates that Council's projected financial position at 30/6/18 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: 6/02/2018

Ms Michele Curran
Responsible Accounting Officer

Income & Expenses Budget Review Statement

Budget review for the quarter ended 31 December 2017

| (\$000's) | Original Budget 2017/18 | Approved Changes Sep QBRS | Revised Budget 2017/18 | Variations for this Dec Qtr | Notes | Projected Year End Result | Current Year | Prior Year |
|---|-------------------------|---------------------------|------------------------|-----------------------------|-------|---------------------------|--------------------|--------------------|
| | | | | | | | Actual YTD figures | Actual YTD figures |
| Income | | | | | | | | |
| Rates and Annual Charges | 5,016 | | 5,016 | | | 5,016 | 2,626 | 2,606 |
| User Charges and Fees | 20,901 | | 20,901 | 620 | 2a | 21,521 | 8,394 | 7,089 |
| Interest and Investment Revenues | 200 | 150 | 350 | | | 350 | 192 | 180 |
| Other Revenues | 125 | 30 | 155 | 32 | 2b | 187 | 288 | 142 |
| Grants & Contributions - Operating | 207 | | 207 | | | 207 | 13 | 3 |
| Grants & Contributions - Capital | 2,662 | | 2,662 | 1,200 | 2c | 3,862 | 2,525 | 1,306 |
| Total Income from Continuing Operations | 29,111 | 180 | 29,291 | 1,852 | | 31,143 | 14,038 | 11,326 |
| Expenses | | | | | | | | |
| Employee Costs | 8,330 | | 8,330 | (283) | 2d | 8,047 | 3,301 | 3,643 |
| Borrowing Costs | 745 | (43) | 702 | (32) | 2e | 670 | 280 | 313 |
| Materials & Contracts | 3,489 | | 3,489 | 232 | 2f | 3,721 | 1,233 | 1,220 |
| Depreciation | 7,120 | (1,000) | 6,120 | | | 6,120 | 3,019 | 2,865 |
| Other Expenses | 5,015 | | 5,015 | 31 | 2g | 5,046 | 1,631 | 1,290 |
| Total Expenses from Continuing Operations | 24,699 | (1,043) | 23,656 | (52) | | 23,604 | 9,464 | 9,331 |
| Net Operating Result from Continuing Operation | 4,412 | 1,223 | 5,635 | 1,904 | | 7,539 | 4,574 | 1,995 |
| Net Operating Result before Capital Items | 1,750 | 1,223 | 2,973 | 704 | | 3,677 | 2,049 | 689 |

Income & Expenses Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

| | |
|----|--|
| 2a | \$400k additional water sales from dry spring weather, additional connection fees and plumbing permits |
| 2b | \$32k workers compensation rebate from StateCover scheme |
| 2c | Increase in S64 contributions due to additional subdivision works not anticipated |
| 2d | Transfer engineering wages to operational and CAPEX projects from wages originally budgeted to overhead costs |
| 2e | Reduction in loan interest due to loans not taken up in 2017/18 |
| 2f | Higher than anticipated reservoir and mains maintenance costs, including unplanned modifications to Woomargama Reservoir and electrical issues with meters and control systems |
| 2g | Higher than anticipated reservoir and mains maintenance costs, including unplanned modifications to Woomargama Reservoir and electrical issues with meters and control systems |

Capital Budget Review Statement

Budget review for the quarter ended 31 December 2017

| (\$000's) | Original Budget 2017/18 | Approved Changes | | Revised Budget 2017/18 | Variations for this Dec Qtr | Notes | Projected Year End Result | Current Year | Prior Year |
|--|-------------------------|------------------|-----------|------------------------|-----------------------------|-------|---------------------------|--------------------|--------------------|
| | | Carry Forwards | Sep QBRs | | | | | Actual YTD figures | Actual YTD figures |
| Capital Expenditure | | | | | | | | | |
| Plant & Equipment | 759 | | 30 | 789 | 6 | 3a | 795 | 355 | 886 |
| Office Equipment & IT | 791 | 161 | (30) | 922 | (155) | 3b | 767 | 117 | 188 |
| Land & Buildings | 1,675 | 240 | | 1,915 | (881) | 3c | 1,034 | 66 | 153 |
| Water Infrastructure | 20,298 | 5,649 | 30 | 25,977 | (7,534) | 3d | 18,443 | 3,115 | 8,260 |
| Other Assets | | | | - | | | - | | |
| Loan Repayments (Principal) | 1,626 | | | 1,626 | | | 1,626 | 778 | 739 |
| Total Capital Expenditure | 25,149 | 6,050 | 30 | 31,229 | (8,564) | | 22,665 | 4,431 | 10,226 |
| Capital Funding | | | | | | | | | |
| Rates & Other Untied Funding | 19,149 | 6,050 | 4,030 | 29,229 | (6,564) | | 22,665 | 4,431 | 10,226 |
| New Loans | 6,000 | | (4,000) | 2,000 | (2,000) | 3e | - | - | - |
| Total Capital Funding | 25,149 | 6,050 | 30 | 31,229 | (8,564) | | 22,665 | 4,431 | 10,226 |
| Net Capital Funding - Surplus/(Deficit) | - | - | - | - | - | | - | - | - |

Capital Budget Review Statement
Recommended changes to revised budget

Budget Variations being recommended include the following material items:

Notes Details

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

| | |
|----|--|
| 3a | \$6k revision to plant replacement program |
|----|--|

| | |
|----|--|
| 3b | Defer Radio Telemetry project due to site issues |
|----|--|

| | |
|----|--|
| 3c | \$20k reduction in airconditioner replacement program, \$166k deferral of operations office project, \$700k levee construction deferred to 2018/19 |
|----|--|

| | |
|----|---|
| 3d | Minor reallocations of smaller project in addition to items of note: \$1.5M deferral of WTP project for road and old intake demo, \$1.3M deferral of Urana WTP, \$4.5M deferral of Main Low Level Reservoir |
|----|---|

| | |
|----|---|
| 3e | Reduction in borrowings not required in 2017/18 |
|----|---|

Cash & Investments Budget Review Statement

Budget review for the quarter ended 31 December 2017

| (\$000's) | Approved | | Revised Budget 2017/18 | Variations for this Dec Qtr | Notes | Projected Year End Result | Actual YTD figures |
|--|-------------------------------|------------------------|---------------------------|-----------------------------------|-------|---------------------------------|--------------------------|
| | Original Budget 2017/18 | Changes Sep QBRs | | | | | |
| Externally Restricted ⁽¹⁾ | | | | | | | |
| Loan Funds - LIRS | - | - | - | - | | - | - |
| Total Externally Restricted | - | - | - | - | | - | - |
| (1) Funds that must be spent for a specific purpose | | | | | | | |
| Internally Restricted ⁽²⁾ | | | | | | | |
| Employee Leave Entitlements | 1,181 | | 1,181 | | | 1,181 | 1,158 |
| Asset Replacement | 1,941 | | 1,941 | | | 1,941 | 2,091 |
| Sales Fluctuation | 3,000 | | 3,000 | 2,000 | 4a | 5,000 | 5,000 |
| Total Internally Restricted | 6,122 | - | 6,122 | 2,000 | | 8,122 | 8,249 |
| (2) Funds that Council has earmarked for a specific purpose | | | | | | | |
| Unrestricted (ie. available after the above Restrictions) | 62 | (1,654) | (1,592) | 5,601 | 4b | 4,009 | 14,672 |
| Total Cash & Investments | 6,184 | (1,654) | 4,530 | 7,601 | | 12,131 | 22,921 |

Cash & Investments Budget Review Statement

Comment on Cash & Investments Position

Due to Cash & Investment balance at the start of the financial year being higher than anticipated after 2016/17 end of year final results, in addition to additional developer income, reduction in CAPEX budgets, anticipated cash on hand is higher than originally 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 31/12/17

Reconciliation Status

| | |
|---|-------------------------|
| The YTD Cash & Investment figure reconciles to the actual balances held as follows: | \$ 000's |
| Cash at Bank (as per bank statements) | 1,193 |
| Investments on Hand | 21,717 |
| less: Unpresented Cheques | (Timing Difference) (6) |
| add: Undeposited Funds | (Timing Difference) 17 |
| Reconciled Cash at Bank & Investments | 22,921 |
| Balance as per Review Statement: | 22,921 |
| Difference: | - |

Recommended changes to revised budget

Budget Variations being recommended include the following material items:

| Notes | Details |
|-------|--|
| 4a | Maintain anticipated water sales reserve at previous year's balance of \$5M due to cash levels being higher than originally budgeted from deferred CAPEX projects and additional S64 contributions |
| 4b | Cash on hand projected to be higher than original budget due to deferred CAPEX projects and additional S64 contributions |

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

Budget review for the quarter ended 31 December 2017

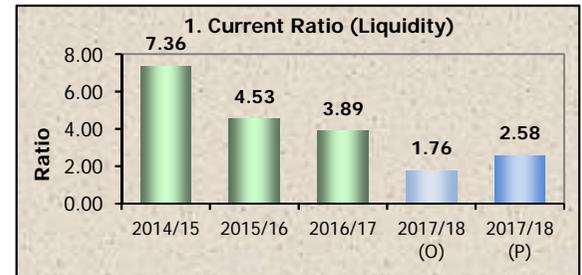
| (\$000's) | Current Projection | | Original Budget 17/18 | Actuals Prior Periods | |
|-----------|--------------------|-----------|-----------------------|-----------------------|-------|
| | Amounts | Indicator | | 16/17 | 15/16 |
| | 17/18 | 17/18 | | | |

The Council monitors the following Key Performance Indicators:

1. Current Ratio (Liquidity)

| | | | | | |
|---------------------|-------|------|------|------|------|
| Current Assets | 17723 | 2.58 | 1.76 | 3.89 | 4.53 |
| Current Liabilities | 6874 | | | | |

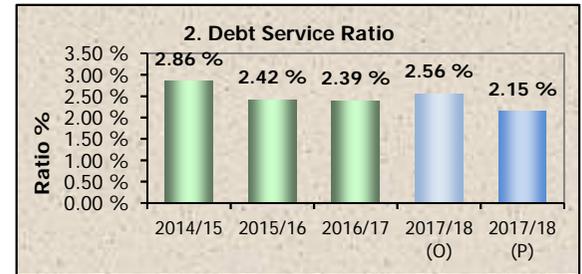
This measures Council's ability to pay existing liabilities in the next 12 months. (target > 1.5)



2. Debt Service Ratio

| | | | | | |
|-----------------------------------|-------|--------|--------|--------|--------|
| Debt Service Cost | 670 | 2.15 % | 2.56 % | 2.39 % | 2.42 % |
| Income from Continuing Operations | 31143 | | | | |

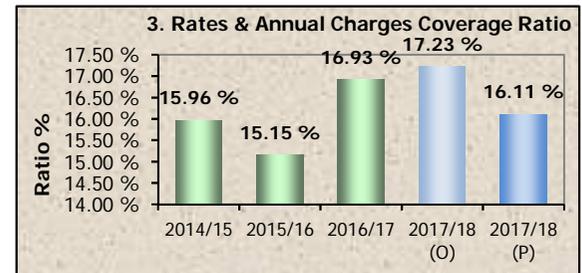
This measures Council's ability to meet interest payments and therefore service debt. (target 0% to 5%)



3. Rates & Annual Charges Coverage Ratio

| | | | | | |
|-----------------------------------|-------|---------|---------|---------|---------|
| Rates & Annual Charges | 5016 | 16.11 % | 17.23 % | 16.93 % | 15.15 % |
| Income from Continuing Operations | 31143 | | | | |

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 2017

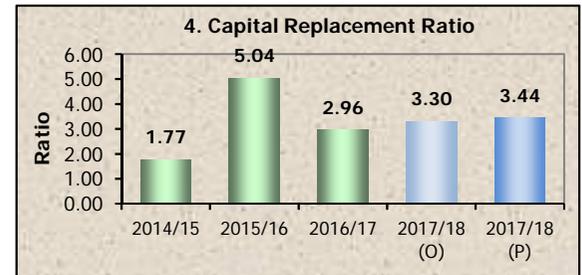
| (\$000's) | Current Projection | | Original Budget 17/18 | Actuals Prior Periods | |
|-----------|--------------------|-----------|--------------------------|--------------------------|-------|
| | Amounts | Indicator | | 16/17 | 15/16 |
| | 17/18 | 17/18 | | | |

The Council monitors the following Key Performance Indicators:

4. Capital Replacement Ratio

| | | | | | |
|---|-------|------|------|------|------|
| Infrastructure, Property, Plant & Equipment | 21039 | 3.44 | 3.30 | 2.96 | 5.04 |
| Depreciation | 6120 | | | | |

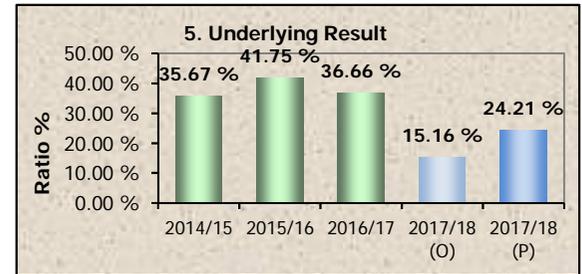
Comparison of the rate of spending on IPP&E with consumption of assets. This is a long-term indicator, as capital expenditure can be deferred in the short term if insufficient funds are available from operations and borrowing is not an option. (target > 1.5)



5. Underlying Result

| | | | | | |
|---------------|-------|---------|---------|---------|---------|
| Net Result | 7539 | 24.21 % | 15.16 % | 36.66 % | 41.75 % |
| Total Revenue | 31143 | | | | |

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%)



Consultancy & Legal Expenses Budget Review Statement

Consultancy & Legal Expenses Overview

| Expense | YTD Expenditure (Actual Dollars) | Budgeted (Y/N) |
|----------------|---|---------------------------|
| Consultancies | - | Y |
| Legal Fees | 7,492 | Y |

Definition of a consultant:

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

Comments

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

Details

N/A

Riverina Water County Council

OPERATIONAL PLAN - DECEMBER 2017 REVIEW

| OPERATING SUMMARY | YTD ACTUAL \$'000 | CURRENT BUDGET \$'000 | REMAINING \$'000 | % AVAILABLE | 2017/18 BUDGET \$'000 | 31/12/17 REVIEW ADJUSTMENT | REVISED BUDGET \$'000 | REVIEW ADJUSTMENT COMMENT |
|---|----------------------|--------------------------|---------------------|-------------|--------------------------|-------------------------------|--------------------------|---|
| OPERATING INCOME | | | | | | | | |
| Access Charges | | | | | | | | |
| Urban | 2,151 | 4,053 | 2,103 | 52% | 4,053 | | 4,053 | |
| Non-Urban | 475 | 963 | 489 | 51% | 963 | | 963 | |
| | 2,626 | 5,016 | 2,591 | 52% | 5,016 | 0 | 5,016 | |
| User Charges | | | | | | | | |
| Consumption Charges | | | | | | | | |
| Urban | 6,579 | 16,516 | 10,844 | 66% | 16,516 | 400 | 16,916 | Increase water sales due to dry spring |
| Non-Urban | 1,268 | 3,542 | 2,282 | 64% | 3,542 | | 3,542 | |
| | 7,847 | 20,058 | 13,126 | 65% | 20,058 | 400 | 20,458 | |
| Extra Charges | | | | | | | | |
| Urban | 31 | 20 | -11 | -53% | 20 | | 20 | |
| Non-Urban | 7 | 20 | 13 | 0% | 20 | | 20 | |
| | 38 | 40 | 2 | 5% | 40 | 0 | 40 | |
| Other Income | 739 | 918 | 180 | 20% | 918 | 252 | 1,170 | Increase in connection fees and plumbing permits |
| Interest | 192 | 350 | 194 | 55% | 350 | 0 | 350 | |
| Operating Grants & Contributions | 13 | 207 | 194 | 94% | 207 | | 207 | |
| Capital Grants & Contributions | 2,525 | 2,662 | 494 | 19% | 2,662 | 1,200 | 3,862 | S64 developer contributions |
| Private Works Income | 5 | 40 | 35 | 0% | 40 | | 40 | |
| TOTAL OPERATING INCOME | 14,120 | 29,291 | 16,681 | 57% | 29,155 | 1,852 | 31,143 | |
| OPERATING EXPENSES | | | | | | | | |
| Management | 3,188 | 8,560 | 5,372 | 63% | 8,560 | -353 | 8,208 | Transfer a portion of wages to operational maintenance & CAPEX projects |
| Operations & Maintenance | | | | | | | | |
| <i>Buildings & Grounds</i> | | | | | | | | |
| Urban | 196 | 712 | 516 | 72% | 712 | 0 | 712 | |
| Non-Urban | 33 | 49 | 17 | 34% | 49 | 0 | 49 | |
| | 229 | 761 | 532 | 70% | 761 | 0 | 761 | |

| OPERATING SUMMARY | YTD ACTUAL \$'000 | CURRENT BUDGET \$'000 | REMAINING \$'000 | % AVAILABLE | 2017/18 BUDGET \$'000 | 31/12/17 REVIEW ADJUSTMENT | REVISED BUDGET \$'000 | REVIEW ADJUSTMENT COMMENT |
|---------------------------------|----------------------|--------------------------|---------------------|-------------|--------------------------|-------------------------------|--------------------------|--|
| <i>Management - Operations</i> | | | | | | | | |
| Urban | 391 | 1,000 | 609 | 61% | 1,000 | 0 | 1,000 | |
| Non-Urban | 144 | 350 | 206 | 59% | 350 | 0 | 350 | |
| | 535 | 1,350 | 815 | 60% | 1,350 | 0 | 1,350 | |
| <i>Sources</i> | | | | | | | | |
| Urban | 333 | 1,366 | 1,033 | 76% | 1,366 | 0 | 1,366 | |
| Non-Urban | 117 | 287 | 171 | 59% | 287 | 20 | 307 | Bulgary Bore VSD & meters damaged in electrical spike |
| | 449 | 1,653 | 1,204 | 73% | 1,653 | 20 | 1,673 | |
| <i>Pumping Stations</i> | | | | | | | | |
| Urban | 137 | 474 | 337 | 71% | 474 | 0 | 474 | |
| Non-Urban | 86 | 386 | 301 | 78% | 386 | 0 | 386 | |
| | 223 | 860 | 637 | 74% | 860 | 0 | 860 | |
| <i>Reservoirs</i> | | | | | | | | |
| Urban | 127 | 161 | 34 | 21% | 161 | 30 | 191 | Additional chlorine purchases & 10MG reservoir maintenance |
| Non-Urban | 82 | 65 | -17 | -27% | 65 | 60 | 125 | Unplanned electrical & fitting modifications to facilities incl Woomargama reservoir |
| | 209 | 226 | 17 | 7% | 226 | 90 | 316 | |
| <i>Treatment Plant</i> | | | | | | | | |
| Urban | 694 | 2,118 | 1,425 | 67% | 2,118 | 0 | 2,118 | |
| Non-Urban | 215 | 719 | 504 | 70% | 719 | 0 | 719 | |
| | 909 | 2,837 | 1,928 | 68% | 2,837 | 0 | 2,837 | |
| <i>Mains & Services</i> | | | | | | | | |
| Supervision | 80 | 319 | 239 | 75% | 319 | 0 | 319 | |
| Urban | 432 | 875 | 443 | 51% | 875 | 140 | 1,015 | Additional unplanned works incl mains bursts over summer |
| Non-Urban | 239 | 501 | 262 | 52% | 501 | 50 | 551 | Additional unplanned works incl mains bursts over summer |
| | 751 | 1,695 | 944 | 56% | 1,695 | 190 | 1,885 | |
| <i>Other Operations</i> | -101 | -406 | -305 | 75% | -406 | | -406 | |
| Depreciation | 3,019 | 6,120 | 3,101 | 51% | 6,120 | 0 | 6,120 | |
| TOTAL OPERATING EXPENSES | 9,411 | 23,656 | 14,245 | 60% | 23,656 | -53 | 23,604 | |
| OPERATING RESULT | 4,709 | 5,635 | | | 5,499 | 1,904 | 7,539 | |

Riverina Water County Council

BALANCE SHEET

| | Actuals 2016/17 \$'000 | Projected 2017/18 \$'000 |
|---|------------------------------|--------------------------------|
| ASSETS | | |
| Current Assets | | |
| Cash & Cash Equivalents | 21,246 | 12,131 |
| Receivables | 3,160 | 3,265 |
| Inventories | 2,383 | 2,327 |
| Total Current Assets | 26,789 | 17,723 |
| Non-Current Assets | | |
| Infrastructure, Property, Plant & Equipment | 335,702 | 350,621 |
| Intangible Assets | 3,575 | 3,575 |
| Total Non-Current Assets | 339,277 | 354,196 |
| TOTAL ASSETS | 366,066 | 371,919 |
| LIABILITIES | | |
| Current Liabilities | | |
| Payables | 1,449 | 847 |
| Borrowings | 1,582 | 1,668 |
| Provisions | 3,861 | 4,359 |
| Total Current Liabilities | 6,892 | 6,875 |
| Non-Current Liabilities | | |
| Borrowings | 10,680 | 9,012 |
| Total Non-Current Liabilities | 10,680 | 9,012 |
| TOTAL LIABILITIES | 17,572 | 15,887 |
| Net Assets | 348,494 | 356,033 |
| EQUITY | | |
| Retained Earnings | 110,199 | 117,738 |
| Revaluation Reserves | 238,295 | 238,295 |
| Total Equity | 348,494 | 356,033 |

31 DECEMBER 2017 CAPEX QUARTERLY REVIEW

| Description | Current Budget 2017/18 | YTD Actual 2017/18 | Budget Remaining | 31/12/17 QBR | Revised Budget 2017/18 | Comment |
|---|---------------------------|--------------------|------------------|-------------------|---------------------------|---|
| | \$ | \$ | \$ | \$ | \$ | |
| MANAGEMENT | | | | | | |
| LAND & BUILDINGS FOR ADMIN. DEPOTS AND WORKSHOPS | | | | | | |
| Administration Office | 37,600 | 1,397 | 36,203 | -20,000 | 17,600 | Airconditioner replacement project finalised |
| Depot Buildings | 176,000 | 15,252 | 160,748 | -160,748 | 15,252 | Deferral of operations office refurbishment project |
| Workshops | 5,000 | 0 | 5,000 | 0 | 5,000 | |
| Access, Parking and Landscaping | 1,696,658 | 49,861 | 1,646,797 | -700,000 | 996,658 | Carry forward construction of levee to 2018/19 |
| | | | | | | |
| SUB-TOTAL LAND & BUILDINGS FOR ADMIN, DEPOTS & WORKSHOPS | 1,915,258 | 66,510 | 1,848,748 | -880,748 | 1,034,510 | |
| | | | | | | |
| PLANT & EQUIPMENT | | | | | | |
| IT Equipment | 182,500 | 80,617 | 101,883 | 0 | 182,500 | |
| Office Furniture & Equipment | 8,000 | 0 | 8,000 | 0 | 8,000 | |
| Working Plant & Vehicle Purchases | 769,000 | 352,142 | 416,858 | 6,000 | 775,000 | Revised plant replacement program |
| Fixed Plant Tools & Equipment | 20,000 | 2,909 | 17,091 | 0 | 20,000 | |
| Telemetry & Control Systems Upgrade | 305,613 | 3,807 | 301,806 | -155,000 | 150,613 | Issues with radio telemetry sites. Defer to 2018/19 |
| Radio Communications Upgrade/Replacements/Improvements | 388,225 | 19,256 | 368,969 | 0 | 388,225 | |
| RTUs - New/Additional | 15,000 | 3,089 | 11,911 | 0 | 15,000 | |
| Energy Efficiency & Cost Minimisation | 20,000 | 8,293 | 11,707 | 0 | 20,000 | |
| CAD/GIS/Asset Management System | 0 | 2,161 | -2,161 | 0 | 0 | |
| Communication Equipment | 2,000 | 0 | 2,000 | 0 | 2,000 | |
| | | | | | | |
| SUB-TOTAL PLANT & EQUIPMENT | 1,710,338 | 472,276 | 1,238,062 | -149,000 | 1,561,338 | |
| | | | | | | |
| TOTAL MANAGEMENT | 3,625,596 | 538,786 | 3,086,810 | -1,029,748 | 2,595,848 | |
| | | | | | | |
| SOURCES | | | | | | |
| Bores-renew/refurbish/decommission | 241,504 | 83,884 | 157,620 | 23,000 | 264,504 | Over budget due to additional work at West Wagga bore |
| Source Works General Improvements | 53,183 | 35,686 | 17,497 | | 53,183 | |
| Switchboards Improvements/Replacements | 13,000 | 9,374 | 3,626 | | 13,000 | |
| | | | | | | |
| TOTAL SOURCES | 307,687 | 128,944 | 178,743 | 23,000 | 330,687 | |
| | | | | | | |
| TREATMENT PLANTS | | | | | | |
| General Improvements | 5,000 | 158 | 4,843 | 0 | 5,000 | |

| Description | Current Budget 2017/18 | YTD Actual 2017/18 | Budget Remaining | 31/12/17 QBR | Revised Budget 2017/18 | Comment |
|--|---------------------------|--------------------|-------------------|-------------------|---------------------------|--|
| | \$ | \$ | \$ | \$ | \$ | |
| Aeration Tower Replacements | 15,000 | 0 | 15,000 | 0 | 15,000 | |
| Aeration Tower Covers | 295,082 | 15,312 | 279,770 | -148,000 | 147,082 | Defer East Wagga Aeration Basin Cover to 2018/19 |
| Specific Treatment Plant improvements | 45,000 | 4,829 | 40,171 | 40,000 | 85,000 | Tarcutta Backwash Discharge to Sewer project allocation |
| Treatment Plant refurbishments | 11,509,062 | 601,048 | 10,908,014 | -2,880,000 | 8,629,062 | Defer \$1.5M WTP works for road & old intake works, \$1.3M for Urana WTP |
| Laboratory Facilities Upgrade | 0 | 1,294 | -1,294 | 30,000 | 30,000 | Transportable Tarcutta Lab purchase |
| Treatment Plant Switchboards/Control Systems Replacement/Upgrade | 5,000 | 274 | 4,726 | 0 | 5,000 | |
| TOTAL TREATMENT PLANTS | 11,874,144 | 622,915 | 11,251,229 | -2,958,000 | 8,916,144 | |
| PUMPING STATIONS | | | | | | |
| General Improvements | 22,000 | 4,070 | 17,930 | 2,070 | 24,070 | Genset plug additional allocation |
| Magflow Replacements | 10,000 | 8,820 | 1,180 | 0 | 10,000 | |
| Pump Stations Renewal/Refurbish/Upgrade | 216,731 | 87,195 | 129,536 | 0 | 216,731 | |
| Pump & Motor Maintenance / Replacements | 25,000 | -5 | 25,005 | 0 | 25,000 | |
| Pump Station Switchboards/Control Systems Replacement/Upgrade | 75,000 | 33,639 | 41,361 | 0 | 75,000 | |
| TOTAL PUMPING STATIONS | 348,731 | 133,719 | 215,012 | 2,070 | 350,801 | |
| RESERVOIRS | | | | | | |
| General Improvements | 19,247 | 5,806 | 13,441 | 0 | 19,247 | |
| New/Replacement Reservoirs | 7,664,333 | 263,207 | 7,401,126 | -4,496,374 | 3,167,959 | Defer Low Level Reservoir construction |
| Reservoirs - Refurbish | 55,000 | 0 | 55,000 | -55,000 | 0 | Reinvestigation of Oaklands Reservoir project required |
| Reservoirs - Upgrade Ladders and Access | 28,610 | 3,693 | 24,917 | 0 | 28,610 | |
| Reservoir Hatches Magflows | 42,000 | 30,557 | 11,443 | 0 | 42,000 | |
| TOTAL RESERVOIRS | 7,809,190 | 303,262 | 7,505,928 | -4,551,374 | 3,257,816 | |
| MAINS, SERVICES & METERS | | | | | | |
| MAINS | | | | | | |
| System Improvements | 530,000 | 93,452 | 436,548 | 0 | 530,000 | |
| Reticulation for Developers (including other extensions) | 860,000 | 448,178 | 411,822 | 0 | 860,000 | |
| Renew Reticulation Mains | 860,000 | 436,097 | 423,903 | -30,000 | 830,000 | McDonnell St, Collingullie project completed under budget |
| Renew Trunk Mains | 2,227,911 | 512,751 | 1,715,160 | 230,000 | 2,457,911 | Reallocation to Rock-Milbrulong, Rising Mains from CWS |
| SUB-TOTAL MAINS | 4,477,911 | 1,490,478 | 2,987,433 | 200,000 | 4,677,911 | |

| Description | Current Budget 2017/18 | YTD Actual 2017/18 | Budget Remaining | 31/12/17 QBR | Revised Budget 2017/18 | Comment |
|---|---------------------------|--------------------|-------------------|-------------------|---------------------------|--|
| | \$ | \$ | \$ | \$ | \$ | |
| SERVICES | | | | | | |
| Service Connections, new including Meters | 550,000 | 287,074 | 262,926 | 0 | 550,000 | |
| Renew Services | 130,000 | 37,490 | 92,510 | 0 | 130,000 | |
| SUB-TOTAL SERVICES | 680,000 | 324,564 | 355,436 | 0 | 680,000 | |
| METERS | | | | | | |
| Water meters replacement | 180,000 | 94,413 | 85,587 | 0 | 180,000 | |
| Remote metering | 275,000 | 15,219 | 259,781 | -250,000 | 25,000 | Remote metering trial cancelled, needs further investigation |
| Water Filling Stations Upgrade | 25,000 | 1,391 | 23,609 | 0 | 25,000 | |
| SUB-TOTAL METERS | 480,000 | 111,022 | 368,978 | -250,000 | 230,000 | |
| TOTAL MAINS, SERVICES & METERS | 5,637,911 | 1,926,064 | 3,711,847 | -50,000 | 5,587,911 | |
| TOTALS | 29,603,259 | 3,653,691 | 25,949,568 | -8,564,052 | 21,039,207 | |

3. OPERATIONAL PLAN – PERFORMANCE TARGETS

RECOMMENDATION: That the report detailing progress, as at 31 December 2017, achieved towards the various objectives set out in the 2017/2018 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 2017/2018 Operational Plan.

Services

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

Asset Replacement

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

Demand Management

| Measure | Key Performance Indicator | Progress to 31 December 2017 |
|----------------------------------|---------------------------|------------------------------|
| Peak Day Demand (weekly average) | <65 ML | 51.65 ML |

WHS

| Objectives | Key Performance Indicator | Progress to 31 December 2017 | |
|---|---------------------------|------------------------------|---------------|
| Number of days lost through injury | < previous period | Sept Qtr 140 | Dec Qtr. 7 |
| Percentage of sick leave hours to ordinary hours worked | <3.5% | 3.69% | 2.8% |
| Total hours worked compared to time lost through injury & illness | < previous period | .085% | .198% |

Environmental Protection

| Key Performance Indicator | Key Performance Indicator | Progress to 31 December 2017 | |
|---------------------------------------|---------------------------|------------------------------|-------------------------|
| Power used per ML of water billed KWh | < same period last year | Dec Qtr. 2016 1005Wh | Dec Qtr. 2017 1110Wh |
| Power costs per ML of water billed \$ | < same period last year | \$190 | \$267 |

Equal Employment Opportunity

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

Charges and Fees

| Key Performance Indicator | Key Performance Indicator | Progress to 31 December 2017 |
|---|---------------------------|------------------------------|
| Level of Water Charges overdue compared to water sales for previous 12 months | <5% | 2.97% |
| Level of Sundry Debtor Accounts overdue compared to debtors raised for previous 12 months | <5% | 0.46% |

4. REVIEW OF REMUNERATION FEES FOR COUNCILLORS AND CHAIRPERSON

RECOMMENDED that the Councillors and Chairpersons annual fee be set at ___% of the maximum allowable, as determined annually by the Local Government Remuneration Tribunal, pursuant to Section 242 of the Local Government Act 1993

As Councillors are aware, staff are preparing the draft budget and Operational Plan for 2018/19. Given that it has been eleven years since the matter of Councillors Fees was considered, this report provides an opportunity for Council to consider its position on the matter. It will also allow Council to include the actual amount in the Draft Operational Plan when it exhibited to the community in May 2018.

Since that time, workloads and commitments of the Chair and Councillors have increased and the nature and volume of the business dealt with by Councillors have increased.

Section 248 of the Local Government Act states that:

- (1) A council must pay each councillor an annual fee.
- (2) A council may fix the annual fee and, if it does so, it must fix the annual fee in accordance with the appropriate determination of the Remuneration Tribunal.
- (3) The annual fee so fixed must be the same for each councillor.
- (4) A council that does not fix the annual fee must pay the appropriate minimum fee determined by the Remuneration Tribunal.

Council resolved at its meeting on the 27th June 2007, in respect of Councillor Fees, that Councillors' and Chairperson's annual fee be set at 60% of the maximum allowable, as determined annually by the Local Government Remuneration Tribunal, pursuant to section 242 of the Local Government Act 1993.

Section 241 of the Local Government Act 1993, states that the annual fees to be paid for each of the categories Councils, as determined under section 239, to Councillors and Chairperson, during the period 1st July 2017 to 30th of June 2018 are determined as follows:

| Category | | Councillor/Member | | Mayor/Chairperson | |
|---|-------------------------|-------------------|-----------|-------------------|------------|
| | | Annual Fee | | Annual Fee* | |
| | | Minimum | Maximum | Minimum | Maximum |
| General Purpose Councils - Metropolitan | Principal CBD | \$ 26,310 | \$ 38,580 | \$ 160,960 | \$ 211,790 |
| | Major CBD | \$ 17,540 | \$ 32,500 | \$ 37,270 | \$ 105,000 |
| | Metropolitan Large | \$ 17,540 | \$ 28,950 | \$ 37,270 | \$ 84,330 |
| | Metropolitan Medium | \$ 13,150 | \$ 24,550 | \$ 27,940 | \$ 65,230 |
| | Metropolitan Small | \$ 8,750 | \$ 19,310 | \$ 18,630 | \$ 42,120 |
| General Purpose Councils - Non-Metropolitan | Regional City | \$ 17,540 | \$ 30,500 | \$ 37,270 | \$ 95,000 |
| | Regional Strategic Area | \$ 17,540 | \$ 28,950 | \$ 37,270 | \$ 94,330 |
| | Regional Rural | \$ 8,750 | \$ 19,310 | \$ 18,630 | \$ 42,120 |
| | Rural | \$ 8,750 | \$ 11,570 | \$ 9,310 | \$ 25,250 |
| County Councils | Water | \$ 1,740 | \$ 9,650 | \$ 3,730 | \$ 15,850 |
| | Other | \$ 1,740 | \$ 5,770 | \$ 3,730 | \$ 10,530 |
| | 60% of Maximum | | \$ 5,790 | | \$ 9,510 |

* This fee must be paid in addition to the fee paid to the Mayor/Chairperson as a Councillor/Member (s.249 (2))

The annual fee is paid in monthly instalments in arrears.

Council Fees for 2017/2018 were set at \$9,510 for Chairman and \$5,790 for Councillor.

The Tribunal will hand down its decision in respect of the 2018/19 Determination in April 2018 and a further report will be presented to the April meeting (time permitting) or the June meeting.

5. JOINT ORGANISATIONS

RECOMMENDED that:

- (a) Council receive a further report on the formation of Joint Organisations following the proclamation of a Joint Organisation(s) in the Riverina Murray Planning Region.
- (b) Council maintain its associate membership of REROC Inc. until further notice

The NSW Government has introduced legislation to create Joint Organisations (JOs) which are intended to be a key NSW Government commitment to build stronger councils and improve service delivery and infrastructure across rural and regional communities.

The Local Government Amendment (Regional Joint Organisations) Act 2017 commenced on 15 December 2017 allowing councils to voluntarily join new JOs in their planning region. JOs will provide a forum for local councils and State agencies to collaborate, plan, set priorities and deliver important projects in regional NSW.

The NSW Government is providing \$3.3 million in seed funding to establish JOs which will focus on the issues that matter most to regional communities. These include building strong businesses, creating jobs, securing water supplies, improving regional transport, and providing community infrastructure, services and facilities.

The principal function of JOs is to undertake strategic planning and priority setting, intergovernmental collaboration, and regional leadership and advocacy.

The Office of Local Government (OLG) is actively supporting councils to develop a JO that best suits their needs. This has included visits to councils and regions and the provision of an information pack to councils.

Interested rural and regional councils have been requested to take the following steps in order to complete the nomination process:

1. Identify their council's planning region according to the map provided in the information pack.
2. Consult with councils within the preferred regional grouping to reach agreement on JO membership, noting that each JO must have a minimum of three member councils;

3. Once the proposed membership is agreed, ensure each member council endorses the proposal by a resolution of council;
4. By 28 February 2018, each Council can submit a nomination to form a JO. In the case of REROC Council's, an extension of time has been granted to the 28 March 2018

The JO network and funding allocations will be announced in March, with JOs proclaimed in April and operational by July 1. The timeline for the formation of a JO in this region will likely be one month later than the above dates.

Each Council was written to by the Minister for Local Government to advise of the above processes. Such letters were not sent to any County Councils, as under the legislation they do not have a role in the formation of the Jos, which is the current activity being undertaken.

It is understood that the JO itself needs to be formed first, via proclamation from the Minister. Following proclamation, a County Council can seek to participate in a JO although a County Council will not have any voting rights. This arrangement is the same as Council's membership of REROC. Council is an Associate member of REROC and does not pay any membership or have voting rights.

Some key points for County Councils in relation to JO's are:

Board membership (s400T of the Local Government Act)

- The board of the JO can invite "any other person" to be a non-voting member of the JO (this would include a representative from a County Council)
- The Regulation can also prescribe classes of person to be a non-voting member of the JO

The Regulations are still being developed, and the OLG advises that they are unsure if the government is considering including County Councils as a prescribed class of persons.

Impacts of JOs on County Councils (s394A of Local Government Act)

A further important amendment to the Local Government Act was made to require that County Council's must, when exercising their functions, take into account any strategic regional priorities and other plans of the JO that apply to any relevant part of the County Council's area of operations or that are relevant to the County Council's operational functions.

Given the above, it is critical that the Council is represented on the JO so that Council has an opportunity to influence any plans that they may develop.

Council has been represented at meetings held in the region over the past four weeks so as to be able to contribute to the discussions and be privy to the intentions of Councils in the region.

At the February meeting of REROC, the meeting resolved that REROC Inc. and REROC JO operate side by side as explained below:

- REROC provides the secretarial services for the JO on a peppercorn basis.
- The two Organisations share the same Board members (however, GMs are not on the JO Board). It will in effect be two separate Boards because they are separate organisations – however the membership can be the same.

- Two Organisations share the same Executive Officer. The JO employs a part-time Executive Officer – the JO has to have an employed EO because the EO is the Public Officer.
- REROC Inc. continues with its contracted arrangements for the provision of Executive Officer services.
- Employment of the JO Executive Officer is on a GM's contract with the salary set by the Board. The expectation is that it is at SES One level.
- Board meetings are held consecutively. The JO meeting is held and then closed. The REROC Inc. meeting opens and then closes. AGMs are held consecutively as well.
- Community of Interest – the community of interest for the JO is the membership of REROC Inc. Membership of REROC requires that the member council looks to Wagga Wagga as its regional centre. Clause 7.3 of the Constitution states:

Members should only be drawn from the Eastern Riverina and should recognise Wagga Wagga as their primary, commercial, professional, social and sporting reference point or be an existing (as at 2005) member of the Shire's Association G Division.

- The expenditures associated with the activities that the JO undertakes are transferred from the REROC Inc budget to the JO budget.
- Member council contributions remain unchanged (apart from the usual rate-pegged annual increase).

REROC also resolved that any Council can be member of REROC Inc. and does not have to be a member of the REROC JO.

The most recent meeting of Councils from REROC and RAMROC, in broad terms, supported the formation of two JO's in the Riverina Murray Planning Region. At that meeting both Goldenfields Water and Riverina Water flagged their respective interest in seeking non-voting membership of a JO that forms that includes their geographic areas.

6. PROPOSED NEW BOARD ROOM

RECOMMENDED that Council make provision in the 2018/19 Capital Works budget for the completion of the Board Room in the Stores Building and that the General Manager proceed with preparing an appropriate design and fit out, supported by an estimate of the works.

At the time that the new Stores Building was designed in 2012, provision was made for a room on the mezzanine level of the building for the purposes of a Board Room/Meeting Room.

The room has not been fitted out or completed. Given that, it is intended that it can function as a meeting room for the Board as well as serve as a training room and function room.

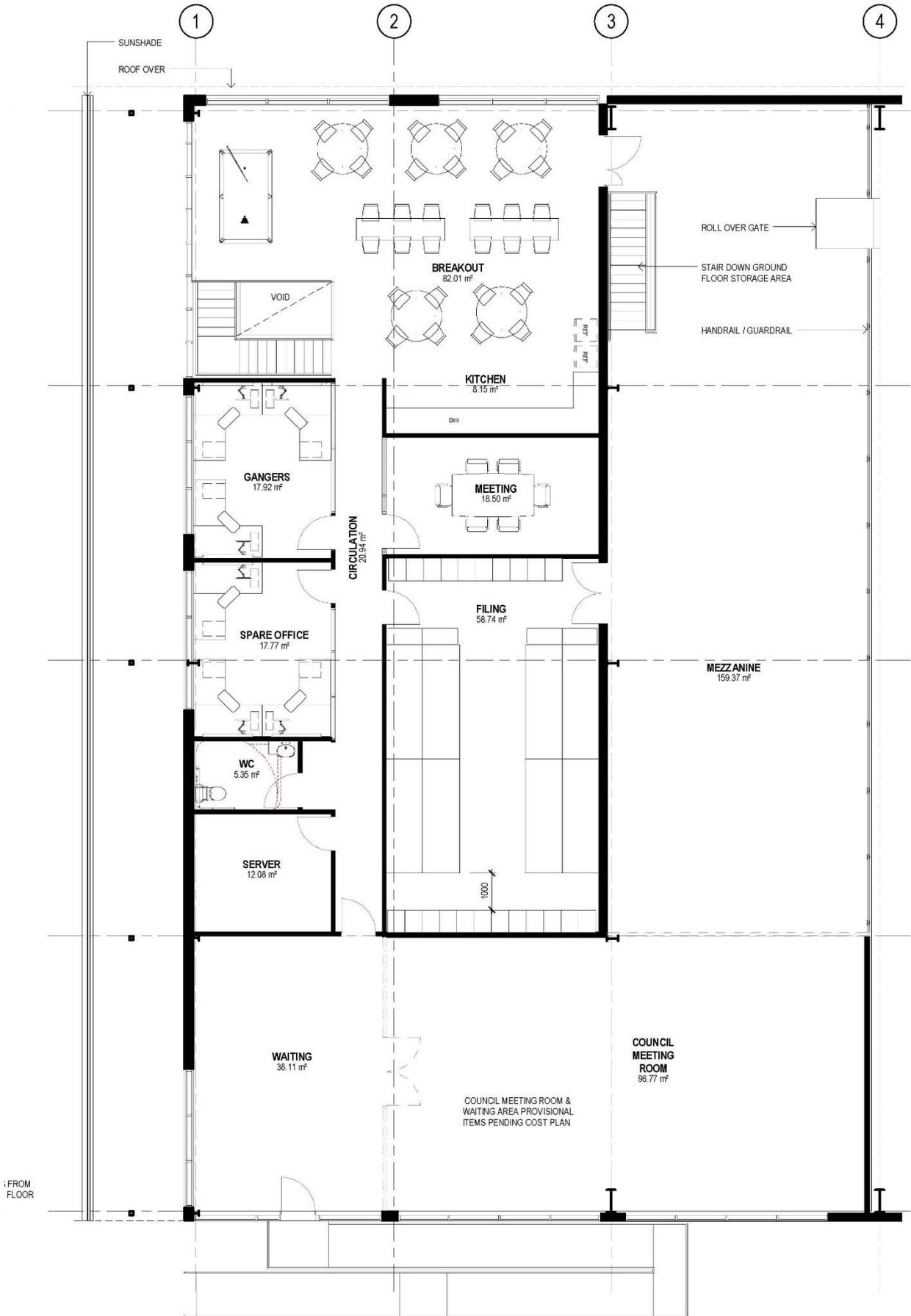
There is considerable space available for the meeting room with the Stores Building. The attached sketch (Attachment 1) provide an initial concept for the use of the space. It is suggested that Councillors arrive early for the Council meeting so that an inspection of the available space can be undertaken. The room is wheelchair accessible to facilitate public egress to the proposed meeting room.

Provision has been made in the four-year delivery plan to complete the room (a rear wall to the room is yet to be erected) and also purchase furniture and fittings for the room (including air conditioning)

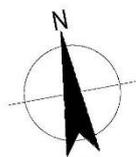
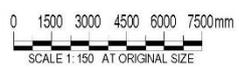
Proceeding with the completion of the room as originally intended will provide several advantages to Council including:

- ✓ Allow the existing Board Room to be renovated to either office space or smaller meeting rooms
- ✓ Having all administration staff in the Administration Building will improve teamwork and collaboration (it is proposed that the WHS/Risk Officer would relocate to the Administration Building as well as the Information Technology staff)
- ✓ Provide an opportunity to locate more of the Engineering Managers and their teams in proximity to staff who they interact with on a regular basis, in the existing Administration Building.

The purpose of this report is to gauge councillor comment on the proposal and pending feedback, proceed with detailed design and costing so that the project can be commenced in the 2018/19 Delivery Plan, supported by a fully costed plan



2 OFFICE LAYOUT - MEZZANINE
SCALE 1:75



date **23/04/14**
 job no. **23-15178**
 drawing **A105**



7. DRAFT POLICY 3.1 ASSET MANAGEMENT

RECOMMENDATION that Riverina Water County Council adopt Draft Policy 3.01 Asset Management.

As part of an ongoing review of Council's Policies, it was necessary to review Council's Asset Management Policy.

A draft policy has been prepared and is attached for Council's consideration. Minor changes have been made to recognise the creation of Federation Council as part of Riverina Water County Council's service area.

The objectives of the Policy are:

- Provides a link between asset management and a platform for service delivery
- Integrates asset management with Council's strategic planning
- Maximises value for money by adoption of lifecycle costing ,combined with performance management
- Assigns accountability and responsibility for service delivery together with asset management
- Promotes sustainability to protect the needs of future generations.

The draft policy takes into account the requirements of the Local Government Act, 1993, Local Government (General) Regulation 2005, Ministerial Investment Orders and general advice from the Office of Local Government.

- ***Policy 3.1 Asset Management***

POLICY
ASSET MANAGEMENT

| | | | |
|--|-------------------------|-------------------------|----------------------|
| POLICY REFERENCE NUMBER: | | POL 3.1 | |
| Original publication date | | 14 December 2012 | |
| Revision number | Issue Date | Approved | Approval date |
| 0 | 14 Dec 2012 | Res: 12/176 | 14 Dec 2012 |
| NAME CHANGED 22/11/13 FROM 5.33 | | | |
| 1 | 30 Jan 2018 | Res: 18/.... | 28 Feb 2018 |
| <p style="text-align: center;">This document is to be reviewed every year. Next review date: January 2020</p> | | | |
| RESPONSIBLE OFFICER | Director of Engineering | | |

I. INTRODUCTION

The purpose of this policy is to outline a framework which provides for the sustainable management of Council's water supply infrastructure to ensure it meets the current and future planned needs of its consumers.

2. POLICY OBJECTIVES

This policy sets the broad framework for undertaking infrastructure asset management in a structured and coordinated way. It outlines why and how asset management will be undertaken. It provides a clear direction for asset management and defines key principles that underpin asset management for Council.

Accordingly the policy has the following objectives;

- Provides a link between asset management and a platform for service delivery
- Integrates asset management with Council's strategic planning
- Maximises value for money by adoption of lifecycle costing, combined with performance management
- Assigns accountability and responsibility for service delivery together with asset management
- Promotes sustainability to protect the needs of future generations.

3. DEFINITIONS

- **Infrastructure Assets** – Include all components of the water reticulation network, plant and building assets owned or managed by Council.
- **Life Cycle Cost** – The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance, rehabilitation and disposal costs.
- **Asset Register** – A record of asset information considered worthy of separate identification including inventory, historical, financial, condition, construction and technical.
- **Useful Life** – The period over which a depreciable asset is expected to be used.
- **Asset Management Plan** – A plan developed for the management of an infrastructure asset or asset category that combines multi-disciplinary management techniques (including technical and financial) over the lifecycle of the asset. The Asset Management Plan establishes, for each Asset Category and sub category:
 - Levels of service – specifies the services and levels of service to be provided by Council
 - Future demand – how this will impact on future service delivery and how this is to be met.

4. RELATED DOCUMENTS

This policy is supported and linked with the following documents;

RWCC Management Plan
RWCC Strategic Business Plan & Resource Strategy Rev 3
RWCC Asset Management Plan
Four (4) Year Capital Works Program
Assets Register
Integrated Water Cycle Management (IWCM)

5. APPLICABLE LEGISLATION

Local Government Act 1993 and subsequent Regulations under the Act.
NSW Water Management Act 2000
Water Act 1912
Integrated Planning and Reporting Framework

6. ASSET MANAGEMENT

6.1 Background

Riverina Water County Council (Riverina Water) is responsible for the water supply functions within the local government areas of Wagga Wagga City Council, Lockhart Shire, and parts of Greater Hume Shire and Federation Shire Council's area. There are currently some 32,000 service connections within a service area of approximately 15,400 sq. kms.

Riverina Water core assets include;

- Sources
- Water Treatment Plants
- Pumping Stations
- Distribution Mains
- Reservoirs
- Land & Buildings
- Plant & Equipment

These assets are listed in detail within Councils Asset Management Plan and Councils Asset Register.

6.2 Policy Principles

The purpose of this policy is to outline a framework for the sustainable management of Councils infrastructure.

Council is committed to delivering financial sustainability by making decisions that lead to cost effective management of its asset base, by focusing on asset renewal, rationalising under-utilised assets and limiting asset expansion unless justified. The principles supporting this policy are;

- Providing a level of service to the community that is affordable and responds to changing community needs
- Ensuring asset condition and development meets the future needs of the communities served by Riverina Water County Council.
- Identifies funding to support and maintain necessary infrastructure development and maintenance.

6.3 Policy Integrating with Asset Strategy and Planning

This asset management policy sets out the framework, goals and objectives for Riverina Water Service delivery. It also sets the context for asset management systems and identifies key performance measures, timeframes and responsibilities.

These policy provisions are supported by an Asset Management Strategy and an Asset Management Plan.

The purpose of an Asset Management Strategy is to detail where Riverina Water is currently positioned in regard to asset management, its future targets for asset management and the means to achieve these targets. This information is set out in Section 1 of the Riverina Water County Council Asset Management Plan. The Strategic Business Plan is an integral part of this strategy, as it is linked with the rolling 30 year capital works program and includes forecasting of necessary renewal investment .The Riverina Water Long

Term Financial Plan demonstrates the financial sustainability of the organisation and its ability to meet the funding of the Asset Management Plan.

The aim of an asset management plan is to provide, operate and maintain physical assets over the whole life cycle to achieve the required levels of service at least cost, while still satisfying statutory, regulatory and sustainability requirements. When the “reason” for and “resources” available to asset management change (as a result of changes in community priorities), Councils asset management plans will be modified to suit. The asset management plans will be reviewed over time with improved information on assets (condition and costs) and as asset condition changes over time.

6.4 Policy Statement

In the process of planning for asset management involving the principles outlined in this policy the following Policy Statement was developed;

Context

Riverina Water uses a large asset base to deliver water supply services to residential, rural, industrial, commercial and municipal customers in the Riverina Region. The water supply system is critical to the development, the economic viability and the way of life of the community.

Criticality

The ability of Riverina Water to deliver water at the appropriate quality and quantity is reliant on the effective operation, maintenance and replacement of the existing assets and the development of new assets. Riverina Water will rely on a robust asset management system to successfully manage the assets. The system will be reviewed annually and audited as required.

Objectives

Riverina Water assets will continue to deliver the levels of service adopted by Riverina Water and accepted by the community.

Strategic Direction

Riverina Water County Council reviews the levels of service for its consumers through its strategic planning process. The asset management strategy and asset management plan together with this policy will ensure that the adopted levels of service are achieved.

This asset management planning process is part of Riverina Water Strategic Business Plan which also satisfies Integrated Planning and Reporting and Best-Practice Management requirements.

Value

Riverina Water will maximise value for money over the asset life cycle. This objective will also involve development of fees and charging regimes that will ensure acceptable cost recovery of assets provided.

Sustainability

Riverina Water assets will continue to support the community and protect the environment now and in the future. Riverina Water will review its Business Plan on an annual basis to ensure that sufficient funding is available to achieve a sustainable asset management strategy and plan.

Community Input

The asset management policy will be included in Riverina Water community consultation activities, providing opportunity for community input.

Responsibility

The Elected Councillors are responsible for the implementation of the asset policy.

The General Manager and Director are responsible for the implementation of the asset strategy.

The Managers are responsible for the implementation of the asset plan.

8. COUNCIL RESOLUTION SHEET

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

| Council Resolution Sheet – Meeting held 28 February 2018 | | | | |
|--|---|---------------------|--|--|
| Report Ref | Subject | Responsible Officer | Council Decision | Action Taken |
| Meeting held 12 December 2014 | | | | |
| 14/190 | Purchase of Land for Alternative Access to Hammond Ave | GM | That Council: 1) Purchase land for operational and access requirements in accordance with Section 187 of the Local Government Act 1993. 2) Delegate authority to the General Manager to negotiate the land purchase and sign the relevant sale documents. 3) Affix Council's Common Seal to documentation as required. | Negotiations continuing. Business Valuation completed. Additional investigations underway. Discussions to resume with Executive Team this month with a view to implementing the decision |
| Meeting held 26 October 2016 | | | | |
| 16/208 | Replacement of Low Level Reservoir Land Matters | DoE | That Council: 1) Purchase the land on Lot 22 DP 835331 for the replacement of Low Level reservoir (10MG) at Willans Hill. The area to acquire is approximately 11,250m ² . Compensation estimated by OPTEON property group \$130,000.00 ex GST. 2) Lease the land on Lot 22 DP 835331 (adjacent to proposed acquisition area) for Low Level reservoir (10MG) replacement earthworks (for material storage) at Willans Hill. Lease on Approximate area of 9600m ² for 2 years. Lease amount per year estimated by OPTEON property group \$14,400.00 ex GST. 3) Delegate authority to the General Manager to negotiate the land purchase, lease, establishment of easements for the pipeline and access. 4) Affix Council's Common Seal to documents as required. | Proceeding with Council Resolution. Legal process ongoing. Earthworks 50% completed. Encountered some rock.. |
| Meeting held 25 October 2017 | | | | |
| 17/177 | Feasibility of Incorporating the GHSC Water Function into RWCC Operations | DoE | That Riverina Water County Council advise Greater Hume Shire Council that it: 1) Would not support a proposal to incorporate the GHSC village water scheme into RWCC's existing operations 2) Would not support a proposal to incorporate the entire water supply operations of GHSC into RWCC's existing operations on the basis of postage stamp pricing 3) Would support a proposal to incorporate the Culcairn town water system into RWCC's existing operations. 4) The matter lay on the table until the constituent Council has had an opportunity to consider the report. | GHSC advised, awaiting response. Discussions continuing at management level. |

| Meeting held 13 December 2017 | | | | |
|-------------------------------|--|-------------|---|---|
| 17/192 | Audit and Risk Committee Charter | GM | That the revised Audit & Risk Committee Charter be adopted. | On Council Intranet |
| 17/193 | Workshop Operational Plan 2087/2019 | GM | That Council hold a workshop to discuss key aspects of the 2018/2019 Operational Plan, following Council's February Meeting. | Workshop scheduled for 28 February |
| 17/195 | Delegation of Authority to New General Manager | GM | That in accordance with Section 377 Local Government Act 1993, Council ratify and grant the delegations as set out in the Delegations of Authority Register to the General Manager Mr. Andrew Crakanthorp, commencing 10 January 2018. | Noted, included in Delegations Register |
| 17/196 | Daryl Maguire MP – Proposal to Increase Tariff Step | GM | That Council consider a proposal by Daryl Maguire MP to increase the Tariff step for residential blocks above 3 acres at the workshop examining the 2018/2019 Operational Plan, following Council's February Meeting and that the General Manager obtain further information from Wagga Wagga City Council and advise Mr Maguire. | Noted, Correspondence forwarded to WWCC requesting information. Mr Maguire MP advised. Matter to be discussed at Council workshop on 28 February |
| 17/198 | Purchase of Portable Devices on Retirement | MCS | That Council agree to sell used iPad Pro and iPhone SE to the General Manager for \$583 and \$418 respectively. | Noted, Sundry Debtor account was issued and paid in December 2017. |
| 17/215 | Tender W.223 for Levee Material Supply | MP | That Council: <ul style="list-style-type: none"> • Accept the Tender received from Steelpipes Pty Ltd in the amount of \$761,750 excl GST, • Authorise the General Manager to undertake post tender negotiations with Steelpipes, to finalise outstanding technical requirements and any adjustments to the quantity of materials. | Tender let and ongoing discussions in relation to some technical elements of the final design |
| 17/216 | Development of New General Manager's Performance Agreement | Chairperson | That the Chairperson be authorised to negotiate with Mr Terrey Kiss of Blackadder and Associates, for the engagement of their services for the development of a Performance Agreement, required under the employment contract with the new General Manager, Mr. Andrew Crakanthorp. | Draft Performance prepared and expected to be signed by all parties on the 28 February. Draft Performance Agreement for 2018/19 in the process of being created |



Andrew Crakanthorp
GENERAL MANAGER

DIRECTOR OF ENGINEERING'S REPORTS TO COUNCIL MEETING

1. WORKS REPORT COVERING DECEMBER 2017

RECOMMENDATION That this report be received and noted.

- *Works Report December 2017*

**DIRECTOR OF ENGINEERING'S REPORTS
TO FEBRUARY 2018 COUNCIL MEETING**

24th January 2018

1 WORKS REPORT COVERING DECEMBER 2017

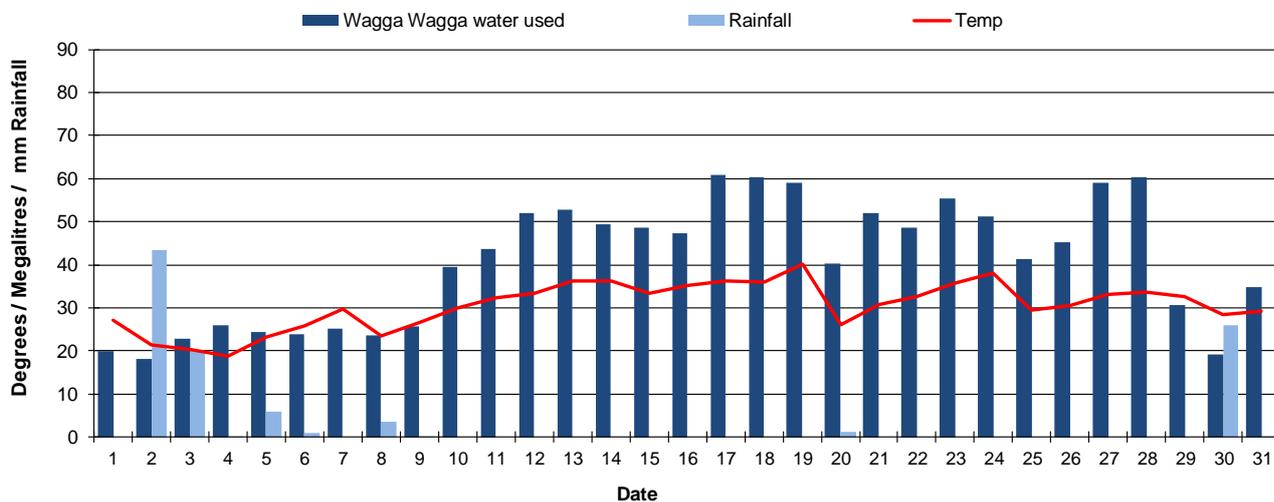
RECOMMENDATION: That this report be received and noted.

1.1 WATER SOURCED AND USED

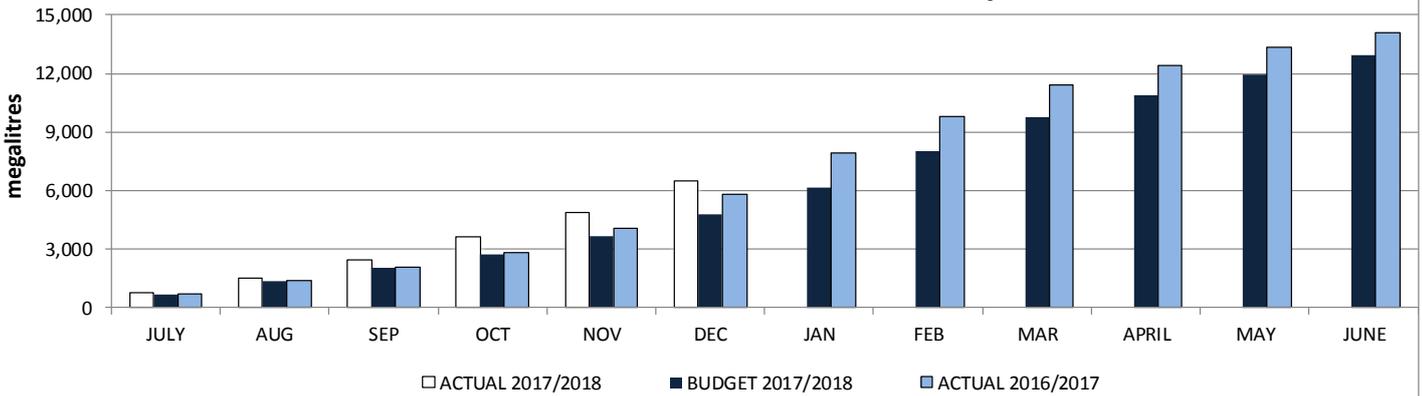
| December | 2015 | 2016 | 2017 |
|---|-----------------|-----------------|-----------------|
| Rainfall | 37.6 | 57.0 | 101.8 |
| Wet Days | 4 | 7 | 10 |
| WATER SOURCED December 2017 (MI) | | | |
| North Wagga bores | 255.86 | 292.34 | 241.78 |
| West Wagga bores | 633.34 | 707.50 | 534.84 |
| East Wagga bores | 315.97 | 283.01 | 246.26 |
| Murrumbidgee River | 361.14 | 468.13 | 423.99 |
| SUB-TOTAL | 1,566.31 | 1,750.98 | 1,446.87 |
| Bulgary Bores | 59.53 | 62.08 | 38.85 |
| Urana Source | 11.33 | 7.98 | 5.38 |
| Ralvona Bores | 33.04 | 35.03 | 23.61 |
| Walla Walla Bores | 34.58 | 34.74 | 17.95 |
| Goldenfields Water Supply System | 3.27 | 5.21 | 5.27 |
| SUB-TOTAL | 141.75 | 145.04 | 91.06 |
| Woomargama | 1.95 | 2.61 | 1.72 |
| Humula | 1.02 | 1.24 | 0.59 |
| Tarcutta | 4.27 | 6.10 | 3.74 |
| Oura | 3.74 | 6.21 | 3.75 |
| Walbundrie/Rand | 5.29 | 4.32 | 3.36 |
| Morundah | 1.36 | 1.67 | 0.65 |
| Collingullie | 8.92 | 9.02 | 5.56 |
| SUB-TOTAL | 26.55 | 31.17 | 19.37 |
| TOTALS | 1,734.61 | 1,927.19 | 1,557.30 |

| WATER USED December 2017 (MI) | | | |
|--------------------------------------|-----------------|-----------------|-----------------|
| | 2015 | 2016 | 2017 |
| East Bomen | 28.58 | 27.23 | 22.04 |
| Estella | 119.98 | 103.38 | 98.84 |
| North Wagga | 98.41 | 95.60 | 90.44 |
| Wagga Wagga – Low Level | 216.94 | 216.54 | 318.94 |
| Wagga Wagga – High Level | 920.50 | 849.17 | 766.25 |
| Wagga Wagga – Bellevue Level | 144.20 | 113.39 | 56.17 |
| SUB-TOTAL | 1,528.61 | 1,405.31 | 1,352.68 |
| Ladysmith System | 9.44 | 7.93 | 7.14 |
| Brucedale Scheme | 34.07 | 34.01 | 25.23 |
| Currawarna Scheme | 20.66 | 19.96 | 13.97 |
| Rural south from Wagga Wagga | 161.43 | 129.61 | 92.52 |
| Rural from Walla Walla Bore | 34.74 | 38.73 | 17.95 |
| Bulgary, Lockhart and Boree Creek | 37.76 | 33.78 | 20.93 |
| From Boree Crk to Urana and Oaklands | 30.95 | 25.07 | 24.10 |
| Holbrook | 35.03 | 28.53 | 23.61 |
| SUB-TOTAL | 364.08 | 317.62 | 225.45 |
| Woomargama | 2.61 | 2.00 | 1.72 |
| Humula | 1.24 | 0.62 | 0.59 |
| Tarcutta | 6.10 | 5.05 | 3.74 |
| Oura | 6.21 | 5.00 | 3.75 |
| Walbundrie/Rand | 4.32 | 3.07 | 3.36 |
| Morundah | 1.67 | 1.38 | 0.65 |
| Collingullie | 9.02 | 6.18 | 5.56 |
| SUB-TOTAL | 31.17 | 23.30 | 19.37 |
| TOTALS | 1,923.86 | 1,746.23 | 1,597.50 |

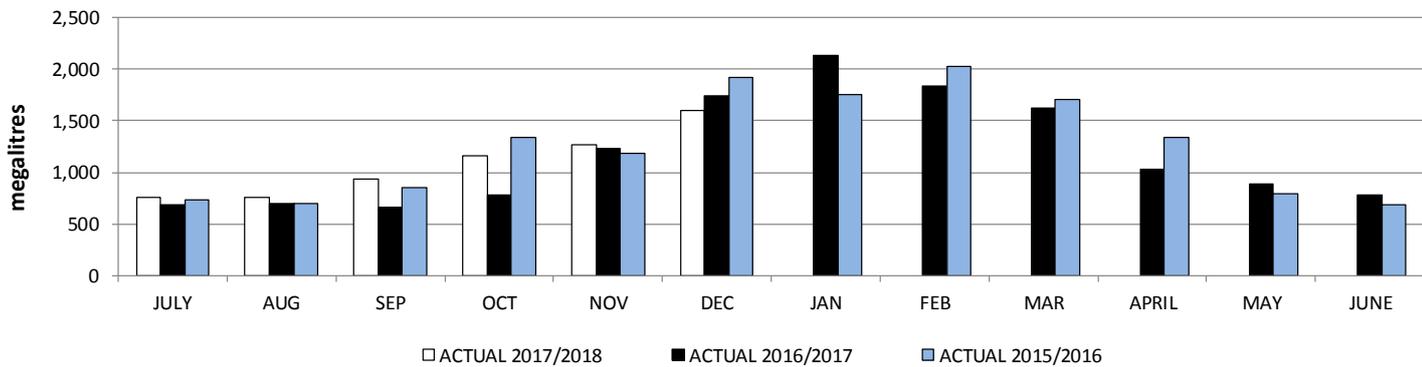
DAILY WATER USED, WAGGA WAGGA, December 2017



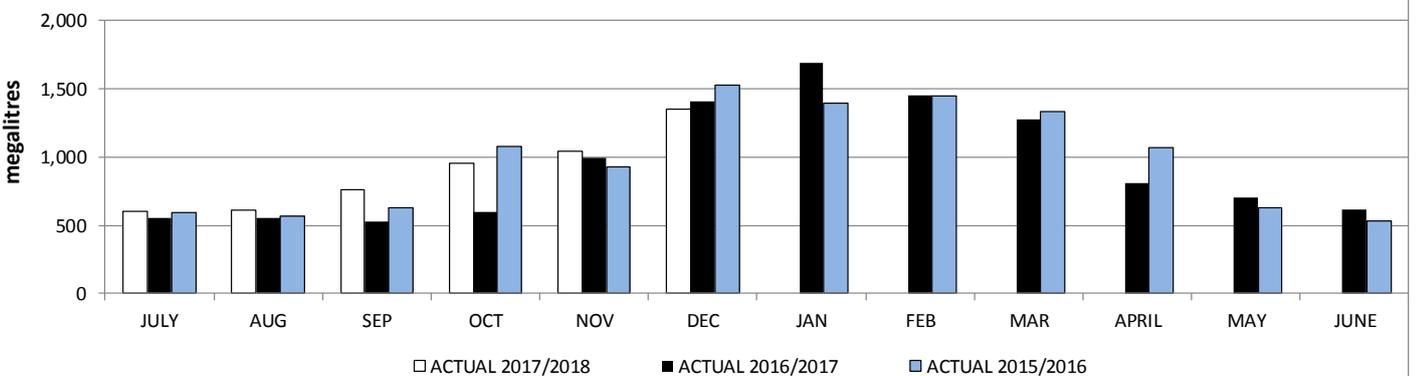
TOTAL CUMULATIVE WATER USED 2017/2018



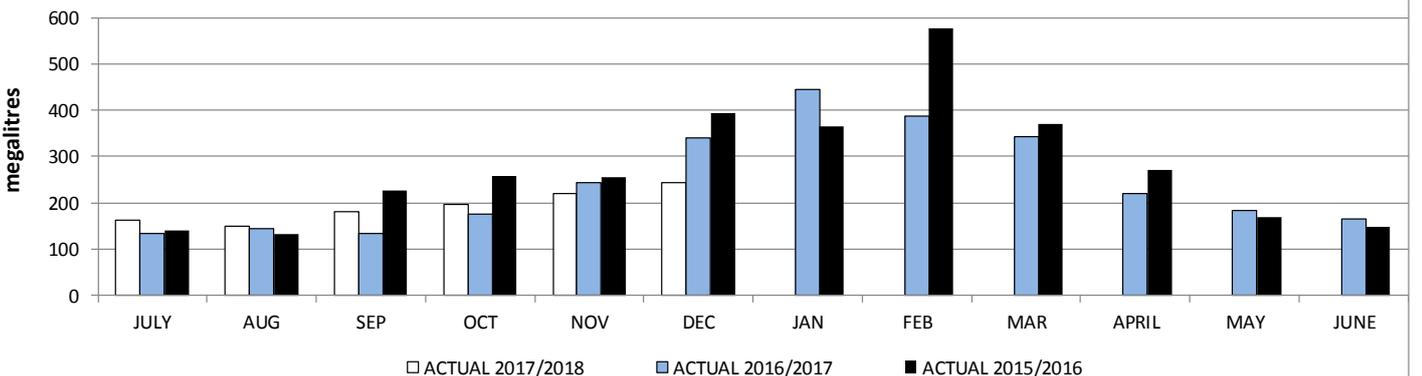
MONTHLY TOTAL WATER USED COMPARED TO PREVIOUS YEARS



MONTHLY WAGGA WATER USED COMPARED TO PREVIOUS YEARS



MONTHLY RURAL WATER USED COMPARED TO PREVIOUS YEARS



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

| Location | New Connect., Residential | New connect., Non Residential | Services Renewed | Services Repaired | Quality Complaints | Supply Complaints * | Customer dealings complaints | Other Complaints | Frost damage | Meter or Metercock fault | Leaking valves or hydrants | Locations |
|----------------|---------------------------|-------------------------------|------------------|-------------------|--------------------|---------------------|------------------------------|------------------|--------------|--------------------------|----------------------------|-----------|
| Wagga | 10 | | 2 | 23 | 16 | 8 | | | | 32 | 3 | 4 |
| Brucedale | | | | 1 | | | | | | | | |
| Currawarna | | | | | | | | | | | | |
| Euberta | | | | | | | | | | | | |
| Humula | | | | | | | | | | | | |
| Ladysmith | | | | | | 1 | | | | 1 | | |
| Oura | | | | 1 | | 1 | | | | | | |
| San Isidore | | | | | | | | | | | | |
| Tarcutta | | | | 1 | | | | | | | | |
| The Gap | | | | 1 | | | | | | | | |
| Bulgary | | | | 1 | | | | | | | | |
| Collingullie | | | | | | | | | | | | |
| French Park | | | | | | | | | | | | |
| Lockhart | | | | | | | | | | | | |
| Mangoplah | | | | | | | | | | | | |
| Milbrulong | | | | | | | | | | | | 1 |
| Pleasant Hills | | | | | | | | | | | | |
| The Rock | | | | | | | | | | 1 | | |
| Uranquinty | | | | | | | | | | | | |
| Yerong Creek | | | | | | | | | | | | |
| Culcairn | | | | | | | | | | | | |
| Henty | | | | | | | | | | | | |
| Holbrook | | | | 2 | | | | | | 3 | | 1 |
| Morven | | | | | | | | | | | | |
| Walbundrie | | | | | | | | | | | | |
| Walla Walla | | | | | | | | | | | | |
| Woomargama | | | | 1 | | | | | | | | |
| Boree Creek | | | | | | 1 | | | | | | |
| Morundah | | | | 1 | | | | | | | | |
| Oaklands | | | | | | | | | | | | |
| Rand | | | | | | | | | | | | |
| Urana | | | | | | | | | | | | |
| TOTAL | 10 | 0 | 2 | 32 | 16 | 11 | 0 | 0 | 0 | 37 | 3 | 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 |
| 17 | 365 Edward Street | Wagga | 200 AC | Pipe Failure (not | No | 3:00 | 0 | 0 |
| 18 | 192 Morgan Street | Wagga | 100 AC | Pipe Failure (not | No | 3:00 | 0 | 32 |
| 19 | Billigah Street | Wagga | 100 AC | Pipe Failure (not | No | 2:00 | 0 | 0 |
| 20 | 21 Copland Street | Wagga | 100 AC | Pipe Failure (not | No | 3:00 | 0 | 0 |
| 20 | Mair Street | Turvey Park | 100 AC | Pipe Failure (not | No | 4:30 | 0 | 0 |
| 20 | Powers Ammo Copland | Wagga | 100 AC | Pipe Failure (not | No | 1:00 | 10 | 16 |
| 21 | Berrembe Drive | Bourkelands | 300 AC | Tree Roots | No | 4:30 | 0 | 0 |
| 21 | 12 Mount Street | Wagga | 100 AC | Pipe Failure (not | No | 3:30 | 40 | 64 |
| 22 | 56 Narrung Street | Wagga | 100 AC | Pipe Failure (not | No | 3:25 | 0 | 0 |
| 22 | Billagha Street | Wagga | 100 AC | Pipe Failure (not | No | 2:30 | 6 | 32 |
| 23 | 1 Kulgoa Street | Kooringal | 100 AC | Tree Roots | No | 2:00 | 3 | 0 |
| 24 | 72 Mckell Avenue | Mt Austin | 150 AC | Pipe Failure (not | No | 2:45 | 40 | 129 |
| 25 | 74 McKell Avenue | Mt Austin | 150 AC | Pipe Failure (not | No | 3:00 | 40 | 129 |
| 25 | 10 McDonough Avenue | Mt Austin | 150 AC | Pipe Failure (not | No | 2:00 | 15 | 129 |
| 26 | 20 McDonough Avenue | Mt Austin | 150 AC | Pipe Failure (not | No | 4:00 | 15 | 129 |
| 27 | Inglewood Road | Lake Albert | 150 AC | Pipe Failure (not | No | 4:00 | 0 | 0 |
| 28 | 16 RUDD ST | Turvey Park | 100 AC | Pipe Failure (not | No | 3:15 | 0 | 0 |
| 28 | Lowrie Prd/McDonough | Mt Austin | 150 AC | Pipe Failure (not | No | 3:30 | 0 | 0 |
| 28 | Heydon/Mitchelmore | Turvey Park | 100 AC | Pipe Failure (not | No | 8:00 | 0 | 0 |
| 28 | Inglewood Road | Lake Albert | 150 AC | Pipe Failure (not | No | 3:00 | 0 | 0 |
| 30 | 9 Mair Street | Turvey Park | 100 AC | Pipe Failure (not | No | 7:30 | 0 | 8 |
| 30 | 21 Heydon Avenue | Turvey Park | 100 AC | Pipe Failure (not | No | 2:30 | 0 | 0 |
| 2 | 12 COCHRANE ST | Kooringal | 100 AC | Pipe Failure (not | No | 3:00 | 32 | 20 |
| TOTALS | | | | | | 78:55 | 201 | 688 |
| Total Breaks – | | 23 | Breaks needing shut off - | | 23 | Breaks affecting customers – | | 9 |

| RURAL | | | | | | | | |
|----------------|-------------------|----------------|---------------------------|-------------------|-------------|------------------------------|--------------------------------|---------------|
| Date | Location | Town | Main Type | Cause | Live Repair | Outage Duration Time | Customers Affected (no supply) | Water Lost KI |
| 6 | Connorton Street | Uranquinty | 25 PVC | Accidental damage | No | 0:30 | 0 | 0 |
| 12 | Flowerdale Rd | The Gap | 50 PVC | Pipe Failure (not | No | 1:00 | 0 | 0 |
| 4 | Olympic hwy | Collingullie | 100 | Pipe Failure - | Yes | | 0 | 3 |
| 4 | County boundry rd | Milbrulong | 80 PVC | Pipe Failure - | Yes | | 0 | 8 |
| 11 | Chaplins lne | The Rock | 50PE | Pipe Failure - | Yes | | 0 | 4 |
| 13 | Lockhart rd | Milbrulong | 200 DICL | Pipe Failure - | Yes | | 0 | 34 |
| 21 | Linton st | Collingullie | 100 | Pipe Failure - | Yes | | 0 | 7 |
| 21 | Albury rd | Lockhart | 40 PE | Pipe Failure - | Yes | | 0 | 9 |
| 21 | Doings Lane | Pleasant Hills | 40 PE | Pipe Failure - | Yes | | 0 | 5 |
| TOTALS | | | | | | 1:30 | 0 | 70 |
| Total Breaks – | | 9 | Breaks needing shut off - | | 2 | Breaks affecting customers – | | 0 |

1.4 WATER QUALITY COMPLAINTS

Water quality complaints received during December 2017 were:

| Date | Location | Problem | Action Taken |
|------------|---------------------------------|--|---|
| 1/12/2017 | Girraween Mews, Glenfield | Bad tasting water | Flushed main |
| 8/12/2017 | Hampden Ave, North Wagga | White water | Flushed mains |
| 8/12/2017 | North Wagga | Dirty water all throughout North Wagga | Flushed all over North Wagga until clear |
| 8/12/2017 | 208 Fitzmaurice St, Wagga Wagga | Bad taste to water | Site visit, all results within ADWG |
| 14/12/2017 | 40B Railway St, Wagga Wagga | Dirty water | Flushed service and main |
| 14/12/2017 | 50 Whittle St, North Wagga | Dirty water | Service flushed |
| 15/12/2017 | 7 Springvale Dr, Springvale | Dirty water | Flushed service |
| 15/12/2017 | 180 Forsyth St, Wagga Wagga | Dirty water | Flushed mains turbidity 3.2 NTU |
| 18/12/2017 | 48 Fox St, Wagga Wagga | Dirty water | Flushed mains in area |
| 19/12/2017 | 180 Forsyth St, Wagga Wagga | Dirty water | Plumber replaced duo valve in hot water system and no dirty water since |
| 20/12/2017 | Amaroo St, Koorringal | Dirty water | Flushed main |
| 20/12/2017 | 65 Ziegler Ave, Tolland | Dirty water | Flushed main |
| 20/12/2017 | Koorringal Mall, Koorringal | Dirty water previous afternoon | From mains burst, now repaired and water clear |
| 21/12/2017 | 48 Cooramin St, North Wagga | Dirty water | Clean water present, no flushing required |
| 23/12/2017 | 9 Osborne Cres, Wagga Wagga | Dirty water | Flushed water main |
| 29/12/2017 | 22 Blamey St, Wagga Wagga | Dirty water | Meter taken off and flushed |

1.5 MAINS CONSTRUCTIONS

1.5.1 MAINS EXTENSIONS AND NEW WORKS

New water mains laid during December 2017 include:

| LOCATION | PROJECT | 450 DICL |
|----------|----------------|----------|
| Dunns Rd | New Rural Main | 78 |
| | TOTAL | 78 |

1.5.2 REPLACEMENT OF EXISTING MAINS

Mains replaced during December 2017 include:

| LOCATION | PROJECT | 63 | 100 | |
|-----------------|------------------|-----|------|------|
| | | PE | OPVC | DICL |
| Vonarx Road | Mains Replacment | 200 | | |
| The Gap | Mains Replacment | | 18 | 20 |
| Koorringal Road | Mains Replacment | | 123 | 22 |
| | TOTAL | 200 | 141 | 42 |

1.6 OTHER CONSTRUCTION

Other construction works during December 2017 include:

| LOCATION OR PROJECT | WORK DONE |
|---------------------------------|----------------------------|
| Copland St Clay Target Gun Club | Install 100mm Fire Service |

1.7 MAJOR REPAIRS / OVERHAULS

Major repairs/overhauls during December 2017 include:

| LOCATION OR PROJECT | WORK DONE |
|-------------------------------|--------------------------------------|
| Tarcutta WTP | Replace manganese filter valve |
| Henty Balance Tank | Repair inlet valve |
| Fitter & Electrician workshop | Service rooftop air conditioners |
| Tarcutta WTP | Overhaul chlorine pump |
| Urana WTP | Commission and start |
| Bulgary #3 bore | Replace magflow meter - storm damage |

1.8 WATER FILLING STATION ACTIVITY

Water Filling Station activity during December 2017 include:

| LOCATION | NUMBER OF FILLS |
|-------------------------------|-----------------|
| Bomen Hereford Street | 27 |
| Estella Farrer Road | 175 |
| Forest Hill Elizabeth Avenue | 15 |
| Glenfield Red Hill Road | 79 |
| Henty Olympic Way | 0 |
| Holbrook Millswood Road | 15 |
| Lake Albert Plumpton Road | 17 |
| Lockhart Napier Road | 23 |
| Pleasant Hills Manson Street | 0 |
| The Rock | 34 |
| Yerong Creek Finlayson Street | 8 |

1.9 STAFF TRAINING & SAFETY

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

| Training or Programme | Number of Staff |
|------------------------------|-----------------|
| Management Conference | 1 |
| Ground Support - Refresher | 8 |
| Ground Support - Full Course | 6 |

1.10 FLEET DISPOSALS

Fleet disposals made during December 2017 are:

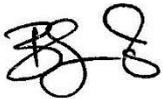
| Vehicle Details | | | | | |
|-----------------|---------------|--------------------------|-------------------------------|------|---------|
| Vehicle No | Description | Vehicle Type | Make & Model | Year | kms |
| 342 | The Rock | Extra cab with tray | ISUZU D-MAX | 2015 | |
| 291 | Carpenters | Extra cab with tray | Nissan Narvara D40 | 2012 | 96137 |
| 319 | Fitters | Extra cab with tray | ISUZU D-MAX | 2013 | 94370 |
| 312 | Plumbing | Dual cab ute, hard cover | PX Ford Ranger | 2013 | 104,574 |
| 204 | Carpenters | Extra cab with canopy | Ford Ranger Supercab 3ltd 2WD | 2007 | 72,946 |
| 301 | Electrician | Dual cab tray | PX Ford Ranger | 2013 | 62,500 |
| 347 | Engineering | Wagon | Holden Captiva wagon LS | 2015 | |
| 326 | Meters | Dual cab ute | ISUZU D-MAX | 2014 | 105,274 |
| 302 | Engineering | Dual cab ute | Hyundai SantaFe | 2012 | 96,812 |
| 345 | Works | Wagon | Subaru Outback Wagon | 2015 | |
| 349 | Admin G Haley | Sedan | Ford Mondeo | 2015 | |
| New | Admin | | | | |
| 101 | Works | Truck | Iveco70 c21 truck with tray | 2004 | |
| 64 | Culcairn | Mower | Ford LGT14D | 1991 | 2571hr |

| Disposal Details | | |
|------------------|-------------------------------|---------------|
| Vehicle No | Method | Price exc GST |
| 342 | Auctions | \$22,727.27 |
| 291 | Auctions | \$19,090.91 |
| 319 | Auctions | \$19,772.73 |
| 312 | Auctions | \$22,727 |
| 204 | Auctions | \$10,455 |
| 301 | Accident | \$28,182 |
| 347 | S Tompson is driving this car | |
| 326 | Auctions | \$21,364 |
| 302 | Auctions | \$19,318 |
| 345 | Not sold yet | \$0 |
| 349 | Not sold yet | \$0 |
| New | | \$0 |
| 101 | Not sold yet | \$0 |
| 64 | Auctions | \$2,728 |

1.11 FLEET ACQUISITIONS

Fleet acquisitions made during December 2017 are:

| New Vehicle Details | | | | | |
|---------------------|------------------|-------------------|---------------------------|----------------------|---------------|
| Vehicle No | Tenders Received | Accepted Tenderer | Vehicle Type | Make & Model | Price exc GST |
| 375 | 8 | Lieschke Motors | Extra cab with tray | Holden Colorado | \$30,248 |
| 376 | 8 | Lieschke Motors | Extra cab with tray | Holden Colorado | \$30,248 |
| 377 | 8 | Lieschke Motors | Extra cab with tray | Holden Colorado | \$33,279 |
| 378 | 7 | Lieschke Motors | Dual cab ute, hard cover | Holden Colorado | \$36,897 |
| 379 | 9 | Lieschke Motors | Extra cab ute with canopy | Holden Colorado | \$36,897 |
| 380 | 3 | Hillis Ford | Extra cab with tray | Ford Ranger | \$30,691 |
| 381 | 4 | Wagga Motors | Wagon | Captiva LTZ | \$29,057 |
| 382 | 8 | Wagga Motors | Dual cab ute | Holden Colorado LS | \$30,918 |
| 383 | 9 | Wagga Motors | Dual cab ute | Holden Colorado LTZ | \$34,912 |
| 384 | 10 | Jupiter Motors | Wagon | Subaru Outback Wagon | \$33,709 |
| 385 | 8 | Wagga Motors | A Crakanthorp-Sedan | Holden calais-V | \$36,453 |
| 386 | 4 | Jupiter Motors | Wagon | Subaru Outback Wagon | \$31,450 |
| 387 | 4 | Thomas Brothers | Truck | IVECO 70C21 | \$82,223 |



Bede Spannagle
DIRECTOR OF ENGINEERING

2. WORKS REPORT COVERING JANUARY 2018

RECOMMENDATION That this report be received and noted.

- *Works Report January 2018*

**DIRECTOR OF ENGINEERING'S REPORTS
TO FEBRUARY 2018 COUNCIL MEETING**

14th February 2018

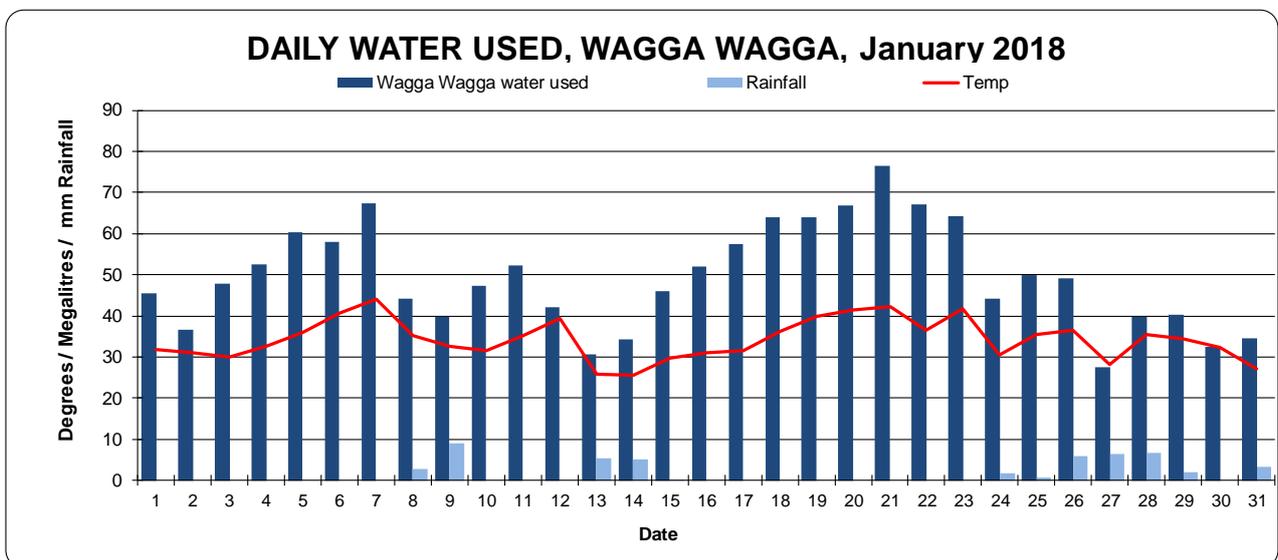
1 WORKS REPORT COVERING JANUARY 2018

RECOMMENDATION: That this report be received and noted.

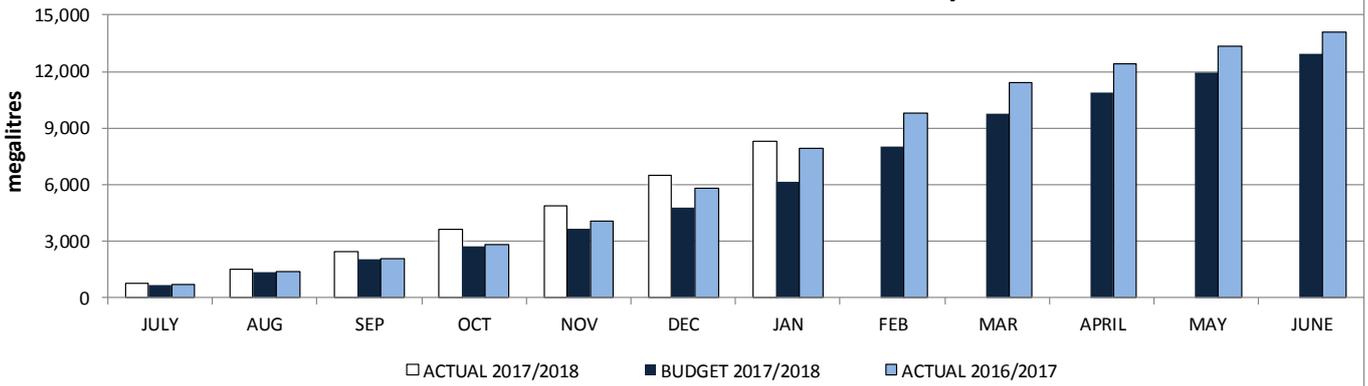
1.1 WATER SOURCED AND USED

| January | 2016 | 2017 | 2018 |
|--|-----------------|-----------------|-----------------|
| Rainfall | 54.2 | 13.8 | 49.8 |
| Wet Days | 13 | 3 | 12 |
| WATER SOURCED January 2018 (MI) | | | |
| North Wagga bores | 274.99 | 326.18 | 297.23 |
| West Wagga bores | 507.50 | 685.56 | 595.97 |
| East Wagga bores | 305.19 | 492.85 | 210.79 |
| Murrumbidgee River | 516.93 | 432.43 | 664.79 |
| SUB-TOTAL | 1,604.61 | 1,937.02 | 1,768.78 |
| Bulgary Bores | 58.69 | 66.31 | 52.21 |
| Urana Source | 9.62 | 10.89 | 10.74 |
| Ralvona Bores | 27.00 | 36.58 | 32.65 |
| Walla Walla Bores | 31.39 | 45.84 | 31.58 |
| Goldenfields Water Supply System | 5.40 | 10.76 | 0.00 |
| SUB-TOTAL | 132.10 | 170.38 | 127.18 |
| Woomargama | 2.36 | 2.66 | 2.58 |
| Humula | 1.12 | 0.91 | 0.78 |
| Tarcutta | 4.60 | 6.11 | 5.37 |
| Oura | 5.62 | 6.32 | 6.13 |
| Walbundrie/Rand | 4.34 | 3.82 | 5.34 |
| Morundah | 1.31 | 1.85 | 1.32 |
| Collingullie | 8.31 | 10.05 | 7.92 |
| SUB-TOTAL | 27.66 | 31.72 | 29.44 |
| TOTALS | 1,764.37 | 2,139.12 | 1,925.40 |

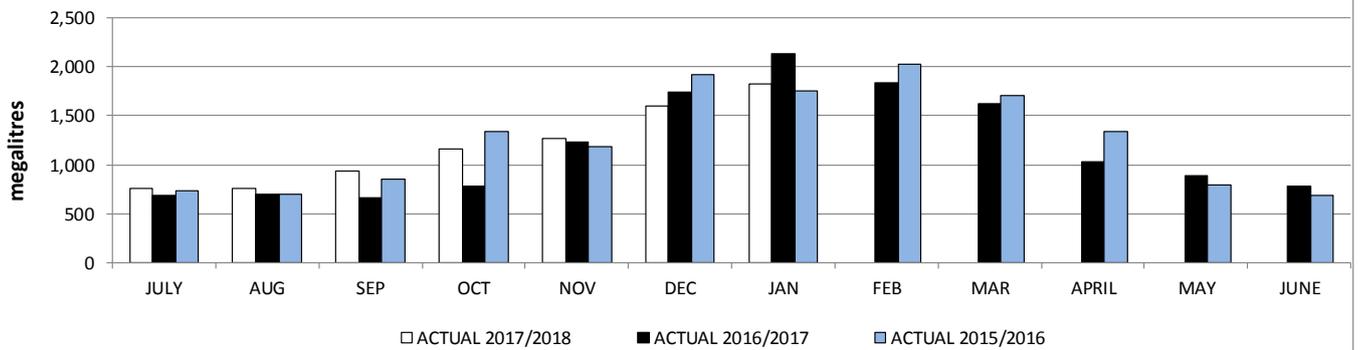
| WATER USED January 2018 (MI) | | | |
|--------------------------------------|-----------------|-----------------|-----------------|
| | 2016 | 2017 | 2018 |
| East Bomen | 25.04 | 43.31 | 30.35 |
| Estella | 101.87 | 144.12 | 142.32 |
| North Wagga | 107.28 | 82.94 | 76.60 |
| Wagga Wagga – Low Level | 214.38 | 242.69 | 241.14 |
| Wagga Wagga – High Level | 835.20 | 1,031.59 | 882.25 |
| Wagga Wagga – Bellevue Level | 112.27 | 146.40 | 139.97 |
| SUB-TOTAL | 1,396.04 | 1,691.05 | 1,512.63 |
| Ladysmith System | 8.67 | 8.63 | 9.33 |
| Brucedale Scheme | 30.47 | 45.18 | 30.42 |
| Currawarna Scheme | 19.53 | 26.12 | 21.88 |
| Rural south from Wagga Wagga | 152.51 | 171.53 | 92.52 |
| Rural from Walla Walla Bore | 31.39 | 45.84 | 31.58 |
| Bulgary, Lockhart and Boree Creek | 35.01 | 45.06 | 30.08 |
| From Boree Crk to Urana and Oaklands | 32.02 | 33.37 | 33.94 |
| Holbrook | 27.00 | 36.58 | 32.65 |
| SUB-TOTAL | 336.60 | 412.31 | 282.40 |
| Woomargama | 2.36 | 2.66 | 2.58 |
| Humula | 1.12 | 0.91 | 0.78 |
| Tarcutta | 4.60 | 6.11 | 5.37 |
| Oura | 5.62 | 6.32 | 6.13 |
| Walbundrie/Rand | 4.34 | 3.82 | 5.34 |
| Morundah | 1.31 | 1.85 | 1.32 |
| Collingullie | 8.31 | 10.05 | 7.92 |
| SUB-TOTAL | 27.66 | 31.72 | 29.44 |
| TOTALS | 1,760.30 | 2,135.08 | 1,824.47 |



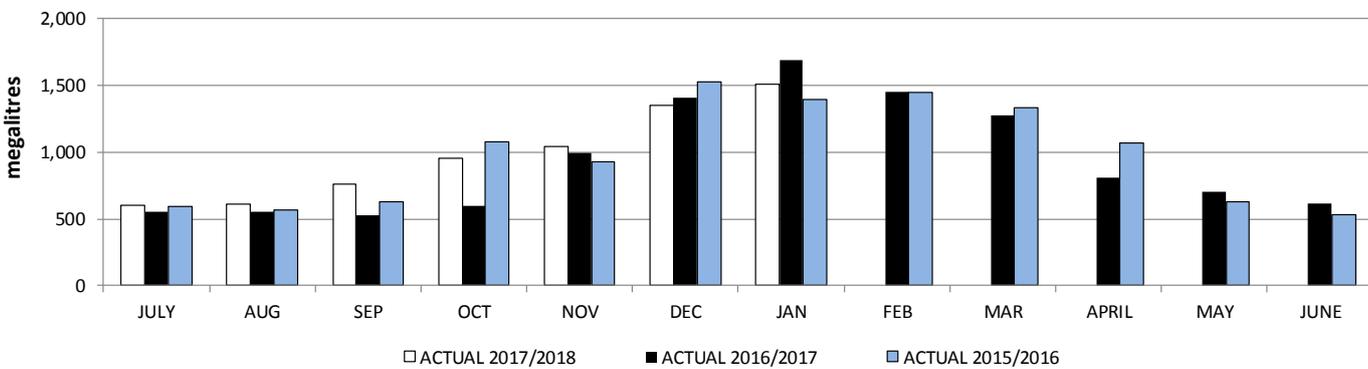
TOTAL CUMULATIVE WATER USED 2017/2018



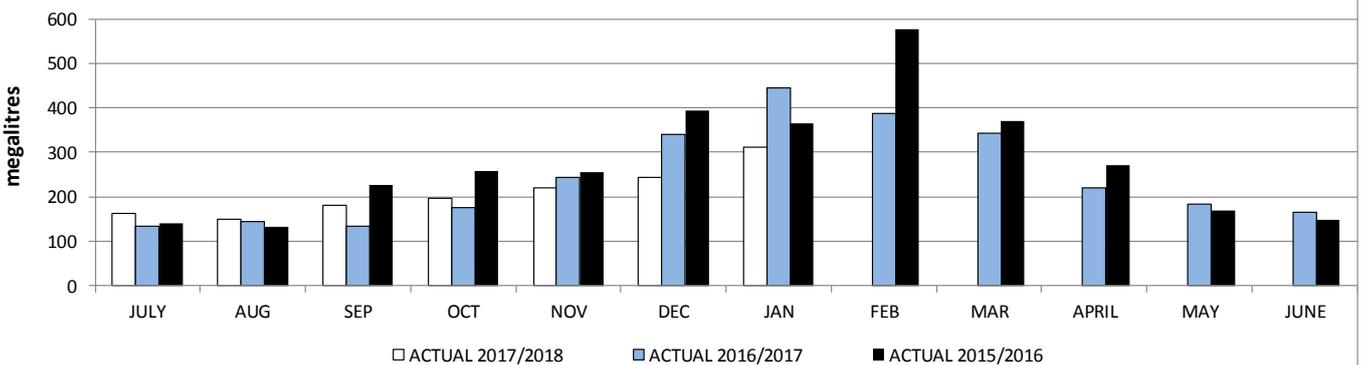
MONTHLY TOTAL WATER USED COMPARED TO PREVIOUS YEARS



MONTHLY WAGGA WATER USED COMPARED TO PREVIOUS YEARS



MONTHLY RURAL WATER USED COMPARED TO PREVIOUS YEARS



1.2 NEW SERVICE CONNECTIONS, REPAIRS, METERS, LOCATIONS & COMPLAINTS FOR THE MONTH OF JANUARY 2018

| 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 Wagga | 40 | 2 | 5 | 28 | 6 | 4 | | | | 51 | 3 | 9 |
| Wagga Wagga | 2 | 1 | 4 | 6 | 2 | | | | | 9 | | |
| Forest Hill | 3 | | | 2 | 1 | | | | | 4 | | |
| North Wagga | | | | | | | | | | 2 | | |
| Estella | 1 | | | 2 | | | | | | | | |
| Koorngal | | | | 2 | | 1 | | | | 1 | 1 | 1 |
| Turvey Park | 2 | | | | 1 | 1 | | | | 3 | 1 | 2 |
| Lake Albert | | 1 | | 7 | | 1 | | | | 9 | 1 | 5 |
| Ashmونت | | | | 2 | | | | | | 8 | | 1 |
| Tolland | | | | | | | | | | 4 | | |
| Mt Austin | | | | 1 | | | | | | 2 | | |
| Bourkelands | 2 | | | | | 1 | | | | 1 | | |
| Glen Oak | | | | 3 | | | | | | | | |
| Tatton | | | | | | | | | | 1 | | |
| Glenfield | | | | 1 | | | | | | 4 | | |
| Lloyd | 3 | | 1 | | 2 | | | | | 1 | | |
| East Wagga | | | | 1 | | | | | | 1 | | |
| Boorooma | 10 | | | 1 | | | | | | 1 | | |
| Gobgombalin | 11 | | | | | | | | | | | |
| Gumly Gumly | 1 | | | | | | | | | | | |
| Humula | | | | 2 | | | | | | 1 | | |
| Ladysmith | | | | | | | | | | 1 | | |
| Oura | 1 | | | | | | | | | 2 | | |
| Tarcutta | | | | 1 | | | | | | | | |
| The Gap | | | | 2 | | | | | | | | |
| Collingullie | | | | | | | | | | | | |
| Lockhart | | | | 2 | 1 | | | | | | | |
| Milbrulong | | | | 1 | | | | | | | | |
| The Rock | | | 1 | 1 | | | | | | | 3 | |
| Yerong Creek | | | | 1 | | | | | | | | |
| Henty | 1 | | | | 2 | | | | | | | |
| Holbrook | 1 | | | 1 | | | | | | 2 | | |
| Morven | | | | 1 | | 1 | | | | | | |
| TOTAL | 43 | 2 | 6 | 40 | 9 | 5 | 0 | 0 | 0 | 58 | 6 | 9 |

Number of Submeters in Wagga (Residential)

5

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 |
| 9 | Cummins & Mitchell Rd | Lake Albert | 150 AC | Pipe Failure (not | No | 1:00 | 0 | 0 |
| 13 | Turner/Athol St | Turvey Park | 100 AC | Pipe Failure (not | No | 4:00 | 40 | 16 |
| 15 | Halloran Street 28 | Turvey Park | 100 AC | Pipe Failure (not | No | 2:30 | 20 | 32 |
| 30 | Raye/Anne Street | Tolland | 200 AC | Pipe Failure (not | No | 5:00 | 0 | 0 |
| 31 | Veale Street 70 | Ashmont | 100 AC | Pipe Failure (not | No | 2:00 | 0 | 0 |
| TOTALS | | | | | | 14:30 | 60 | 48 |
| | | | | | Breaks needing shut off - | 5 | Breaks affecting customers - 2 | |
| Total Breaks - | | 5 | | | | | | |

| RURAL | | | | | | | | |
|----------------|----------------------|----------------|-----------|-------------------|---------------------------|----------------------|--------------------------------|---------------|
| Date | Location | Town | Main Type | Cause | Live Repair | Outage Duration Time | Customers Affected (no supply) | Water Lost KI |
| 2 | Olympic hwy | The Rock | 300 CI | Pipe Failure - | No | 5:00 | 25 | 75 |
| 5 | Dennis Crossing Road | Brucedale | 50 PVC | Pipe Failure (not | No | 2:30 | 40 | 16 |
| 18 | Parkins Road | Oura | 40 PE | Pipe Failure (not | No | 3:00 | 0 | 1 |
| 18 | Olympic Highway | The Rock | 300 CI | Corrosion | No | 4:00 | 4 | 0 |
| 26 | 22 Lyne St | Henty | 150 AC | Pipe Failure (not | No | 3:00 | 0 | 0 |
| 29 | Milbrulong | Milbrulong | 225 DICL | Pipe Failure (not | No | 3:00 | 1 | 20 |
| 30 | Olympic Hwy | The Rock | 300 CI | Pipe Failure - | No | 3:00 | 30 | 90 |
| 3 | Chaplins Lane | The Rock | 50PE | Pipe Failure - | Yes | | 0 | 2 |
| 17 | Chaplins Lane | The Rock | 50 PVC | Pipe Failure (not | Yes | | 0 | 0 |
| 23 | 13 Linton St | Collingullie | 100 | Pipe Failure (not | Yes | | 0 | 0 |
| 23 | Kennedy St | Collingullie | 100 CI | Pipe Failure (not | Yes | | 0 | 0 |
| 24 | Linton St | Collingullie | 100 CI | Pipe Failure (not | Yes | | 0 | 0 |
| 28 | Milbrulong Balance | Milbrulong | 200 AC | Pipe Failure (not | Yes | | 0 | 0 |
| 2 | Doigs Ine | Pleasant Hills | 40 PE | Pipe Failure - | Yes | | 0 | 4 |
| TOTALS | | | | | | 23:30 | 100 | 208 |
| | | | | | Breaks needing shut off - | 7 | Breaks affecting customers - 5 | |
| Total Breaks - | | 14 | | | | | | |

1.4 WATER QUALITY COMPLAINTS

Water quality complaints received during January 2018 were:

| Date | Location | Problem | Action Taken |
|------------|--------------------------------------|---------------------|---|
| 2/01/2018 | Wheel of Fortune Rd, Oura | Leaking meter & air | Line bled |
| 4/01/2018 | 4 Graham St, Henty | Smell | Meter water tested-OK. Advised customer to flush taps |
| 4/01/2018 | 35 Hargrave St, Lloyd | Dirty water | HWS problem |
| 5/01/2018 | 28 Allonby Ave, Forest Hill | Dirty water | Mains OK. Gal pipes in property |
| 10/01/2018 | Lockhart-Gullie Rd, Lockhart | Dirty water | Flushed mains & service |
| 12/01/2018 | 4 Graham St, Henty | Smell | Flushed mains & service-All good |
| 17/01/2018 | 41 Wollundry Ave, Wagga | Dirty water | Flushed mains |
| 29/01/2018 | 45 Bourke St, Turvey Park | Dirty water | Flushed mains & service |
| 31/01/2018 | RMB415 Holloway Rd, Shepherds Siding | Dirty water | Flushed mains |

1.5 MAINS CONSTRUCTIONS

1.5.1 MAINS EXTENSIONS AND NEW WORKS

New water mains laid during January 2018 include:

| LOCATION | PROJECT | 100 | 100 | 150 | | 200 |
|----------------|-----------------|------|------|------|------|------|
| | | OPVC | DICL | DICL | OPVC | DICL |
| Brunlea Park | New Subdivision | | 126 | 75 | | 84 |
| Harness Racing | Main Extention | 18 | 18 | 24 | 84 | |
| | TOTAL | 18 | 144 | 99 | 84 | 84 |

1.5.2 REPLACEMENT OF EXISTING MAINS

Mains replaced during January 2018 include:

| LOCATION | PROJECT | 63 | 200 | 600 |
|---------------------------|------------------|------|------|------|
| | | Poly | OPVC | DICL |
| Vonarx Road | Mains Replacment | 2800 | | |
| Parkins Road | Mains Replacment | 1176 | | |
| The Rock to Edward Street | Mains Replacment | | 3996 | |
| | TOTAL | 3976 | 3996 | 143 |

1.6 OTHER CONSTRUCTION

Other construction works during January 2018 include:

| LOCATION OR PROJECT | WORK DONE |
|--------------------------------------|--|
| West Wagga Shires Pump No.2 | Ongoing discharge pipework modifications to existing pumphouse. New pump and motor arrived |
| Urana WTP Replacement | Finalisation of site master plan |
| Bomen Digital Repeater Coms Facility | Erection of coms tower on Bomen Reservoir |

1.7 MAJOR REPAIRS / OVERHAULS

Major repairs/overhauls during January 2018 include:

| LOCATION OR PROJECT | WORK DONE |
|--|------------------------------|
| Bulgary water treatment plant | Replace fluoride dosing pump |
| Tarcutta water treatment plant | Replace chlorine dosing pump |
| Walbudrie reservoirs | Replace electric inlet valve |
| The Rock pump station | Overhaul chlorination system |
| Gardeners Crossing water treatment plant | Repair RTU & CPU unit |
| Square reservoir | Replace level transducer |
| North Wagga water treatment plant | Repair fluoride drive fault |
| West Wagga water treatment plant | Overhaul silica dosing pump |
| Urana water treatment plant | Bird proof clarifier |

1.8 WATER FILLING STATION ACTIVITY

Water Filling Station activity during January 2018 include:

| LOCATION | NUMBER OF FILLS |
|-------------------------------|-----------------|
| Bomen Hereford Street | 33 |
| Estella Farrer Road | 477 |
| Forest Hill Elizabeth Avenue | 17 |
| Glenfield Red Hill Road | 86 |
| Henty Olympic Way | 1 |
| Holbrook Millswood Road | 22 |
| Lake Albert Plumpton Road | 51 |
| Lockhart Napier Road | 30 |
| Pleasant Hills Manson Street | 2 |
| The Rock | 29 |
| Yerong Creek Finlayson Street | 0 |

1.9 STAFF TRAINING & SAFETY

No following training and/or safety activities were undertaken during January 2018.

1.10 FLEET DISPOSALS

No fleet disposals made during January 2018.

1.11 FLEET ACQUISITIONS

Fleet acquisitions made during January 2018 are:

| New Vehicle Details | | | | | |
|---------------------|------------------|-------------------|--------------|----------------------|---------------|
| Vehicle No | Tenders Received | Accepted Tenderer | Vehicle Type | Make & Model | Price exc GST |
| 384 | 10 | Jupiter Motors | Wagon | Subaru Outback Wagon | \$33,709 |

1.12 MAJOR CAPITAL PROJECTS PROGRESS

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

MAJOR PROJECTS 2017/18 (> Over \$100,000) - January 2018

| Description | 2017/18 Budget | Actual & Committed to Date | Comments |
|---|----------------|----------------------------|---|
| MANAGEMENT | | | |
| Land & Buildings for Admin, Depot & Workshops | | | |
| Access, Parking and Landscaping | | | |
| Levee protection stage 2 Hammond Ave - Urban | \$1,597,658 | \$143,862 | Contract to supply sheet piles awarded |
| PLANT & EQUIPMENT | | | |
| IT Equipment | | | |
| Corporate IT software upgrade/improvements - Urban | \$162,500 | \$93,911 | Annual IT replacement program in progress |
| Working Plant & Vehicle Purchases | | | |
| Routine plant & vehicle replacements | \$769,000 | \$620,638 | |
| Telemetry & Control Systems Upgrade | | | |
| West Wagga WTP & Bores Control System Upgrade | \$106,965 | \$110,547 | Purchased communication and telemetry hardware. Finalising specification to install and commission comms and control system |
| Radio Telemetry SCADA Upgrade | \$168,648 | \$1,240 | Waiting for NSW Police approval to access Galore Hill and Mt Burngoogie towers |
| Radio Communications Upgrade/Replacements/Improvements | | | |
| Radio Communication | \$388,225 | \$51,860 | |

| | | | |
|--|-------------|-------------|--|
| SOURCES | | | |
| Bores-renew/refurbish/decommission | | | |
| Humula Well Replacement | \$180,000 | \$0 | Drilling contractor indicated availability for May-June 17 |
| TREATMENT PLANTS | | | |
| Aeration Tower Covers | | | |
| East Wagga Aeration Basin cover - Urban | \$160,000 | \$0 | Project deferred until WTP complete and site handed back to RWCC |
| Treatment Plant Refurbishments | | | |
| WTP Stage 1 - Urban | \$9,929,062 | \$3,761,370 | See detailed report |
| Urana WTP replacement - Non-Urban | \$1,500,000 | \$33,657 | Finalising master plan |
| Pump Stations Renewal/Refurbish/Upgrade | | | |
| West Wagga Shires pump upgrade - Urban | \$151,731 | \$125,424 | 315kW Motor and multistage pump arrived. Being prepared for installation at West Wagga pumphouse |
| RESERVOIRS | | | |
| New/Replacement Reservoirs | | | |
| Main Low Level Reservoir 2x11ML Investigation & Design - Urban | \$5,004,000 | \$412,163 | Excavation continuing. Hard rock encountered. |
| Glenoak Res 2 x 4.5ML - Investigate, design, land matters | \$100,000 | \$29,356 | REF & AHIMS completed. Ecological assessment underway. |
| Shires Reservoir Relocation - Non-Urban | \$2,560,333 | \$1,556,936 | Construction continuing. |
| MAINS, SERVICES & METERS | | | |
| MAINS | | | |
| System Improvements | | | |
| Broad St | \$120,000 | \$0 | |
| System Improvements - Urban | \$150,000 | \$22,798 | |

| | | | |
|---|-------------|-----------|-----------|
| Reticulation for Developers (including other extensions) | | | |
| Reticulation for Developers - Urban | \$800,000 | \$655,785 | |
| Renew Reticulation Mains | | | |
| Renew Reticulation Mains - Non-Urban | \$200,000 | \$34,932 | |
| Renew Reticulation Mains - Urban | \$400,000 | \$132,858 | |
| The Gap / Brucedale System - Non-Urban | \$100,000 | \$130,833 | Completed |
| Main St, Lake Albert - Urban | \$100,000 | \$158,842 | Completed |
| Renew Trunk Mains | | | |
| Renew Trunk Mains - Urban | \$200,000 | \$0 | |
| Renew Trunk Mains - Non-Urban | \$200,000 | \$0 | |
| Southern Trunk - Highway to New Reservoir 1.8km 450mm DICL | \$400,000 | \$360,935 | Completed |
| New Low Level Reservoir Connection Main Refurbishment | \$400,000 | \$0 | |
| The Rock - Milbrulong BT Trunk Mains Replacement | \$1,000,000 | \$213,191 | Underway |
| SERVICES | | | |
| Service Connections, new including Meters | | | |
| Service Connections, new - Urban | \$500,000 | \$289,028 | |
| Renew Services | | | |
| Renew Services - Urban | \$100,000 | \$18,621 | |
| METERS | | | |
| Water Meters Replacement | | | |
| Water meters replacement - Urban | \$150,000 | \$73,408 | |
| Remote Metering | | | |
| Remote metering - Urban | \$250,000 | \$0 | |



Bede Spannagle
DIRECTOR OF ENGINEERING

3. CONTRACT W195 – WATER TREATMENT PLANT (WTP) PROGRESS REPORT

RECOMMENDATION: that Council receive and note the report.

The WTP has been producing potable water meeting specification by using the temporary pipeline from the existing raw water pumps. Our operations team are enjoying the high level of automation and the challenges of learning the new plant.

Operation of the sludge treatment plant has been problematic. UGL are working with RWCC staff to improve the consistency of sludge and increase the percentage of solids in the sludge being fed to the plant.

The rock protection works around the Raw Water Intake concrete structure is well underway. Placement of rock on north side of the intake is completed and the contractor is now placing material on the south side and working up the river bank.

The Raw Water pumps have arrived on site and commissioning is planning for late March. Once the pumps are commissioned the plant can be tested at full capacity.

Contract issues and variations

The RWCC and UGL project managers continue to meet weekly and are working through contractual issues.

Since the last Council meeting there have been two variations approved through the Change Management process outlined in the Project Management Framework.

| | CMR # | Description | Value \$ (ex GST) |
|---|-------|---|-------------------|
| 1 | 12 | Change length of raw water rising main sections from 6m to 4m | 15,426 |
| 2 | 13 | Supply and install additional Wireless Access Points | 8,235 |

The updated variation list is attached .

| Variation Summary | Cost \$ inc GST |
|--|------------------------|
| Approved Variations | 1,809,600 |
| Approved Negative Variations | -725,067 |
| Net Variations approved | 1,084,533 |
| Total Variations considered | 5,376,169 |
| Rejected Variations | 4,291,636 |
| Variations for Contamination | 187,236 |
| Change scope variations with CMR signoff | 1,377,338 |

| Wagga WTP Variations | | | | |
|----------------------|---|-----------------|-------------------|---------|
| Variation no. | Description | Cost \$ inc GST | Comment | CRF no. |
| 1 | Control system design for fully networked plant | 16,500 | Finalised | |
| 2 | AC14 Road sealing | 111,563 | Finalised | 3 |
| 3 | Provision for future UV | 22,886 | Finalised | 2 |
| 4 | Disabled Access to Control Room and Filter Area | 305,360 | Finalised | 1 |
| 5 | Changes to Concrete Specification. S32->S40 + XYPEX | 86,900 | Finalised | 1 |
| 6 | Removal of additional soil NSC02 | 5,781 | Finalised | |
| 7 | Transformers supplied by RWCC | -268,210 | Finalised | |
| 8 | Access to existing Clarifiers | 140,078 | RWCC constructing | |
| 9 | Alum tank increase size | 88,862 | Finalised | 5 |
| 10 | Increased Spare Capacity in Switchboards | 8,850 | Approved | |
| 11 | Additional Lamella Capacity | 49,613 | Finalised | 4 |
| 12 | Sewer pump station at Herritage Residence (1/2 cost) | 5,933 | Finalised | |
| 13 | Penstocks in lieu of stop boards | 10,374 | Finalised | |
| 14 | Increased Bearing Capacity in Filter Block | 34,500 | Finalised | |
| 15 | Rubbish near residence and asbestos at CWS excavation | 11,107 | Finalised | |
| 16 | Levee Asbestos Removal | 28,893 | Finalised | |
| 17 | Storage area sub-lease at 9 Say St | -19,800 | Finalised | |
| 18 | Filter Gallery trenches | 45,498 | Finalised | |
| 19 | Additional 25mm cover on Clarifier outlet slab | 9,236 | Finalised | |

| | | | | |
|------|--|-----------|--------------------------|---|
| 20 | Raw Water Intake Coffe Dam & Concrete Works | 401,500 | Finalised | 6 |
| 20 C | Raw Water Foundation requirements | 2,750,000 | Rejected | |
| 21 | Galvanised cable tray in lieu of Aluminium | -19,058 | Finalised | |
| 22 | Non relocation of workshop sewer | -6,353 | Not proceeding | |
| 23 | Removal of Additional Concrete Slab at Centrifuge Building | 8,461 | Finalised | |
| 24 | Clear Water Pump Mechanical Seals | 1,650 | Finalised | |
| 25 | Bomen Pump Line | 88,000 | Finalised | |
| 26 | NSC11 Material Excavated under UGL Carpark | 30,102 | Finalised | |
| 27 | NSC12 Asbestos Material at Wash Water Holding Tank | 3,342 | Finalised | |
| 28 | NSC13 Poor Ground at Sludge Thickener | 21,952 | Rejected | |
| 29 | Filter Wall Changes due to overflow concerns | -88,000 | Finalised | |
| 30 | Road and Stormwater realignment | 18,429 | Finalised | |
| 31 | Roof Access Ladder to Centrifuge Building | 15,511 | Finalised | |
| 32 | NSC14 Damage to Scour Line & Repair | 12,616 | Rejected | |
| 33 | Flowmeter modifications | 24,352 | Finalised | 9 |
| 34 | Caustic Building Lighting | 2,967 | Finalised | |
| 35 | Eaves lining to Buildings | 85,265 | Rejected | |
| 36 | Sludge Thickener Floor | 99,275 | Finalised | 7 |
| 37 | Reinstallation of DICL | | Rejected | |
| 38 | Modifications to Filter Building Stairs | 41,938 | Rejected | |
| 38b | Modifications to Filter Building Stairs | 19,250 | RWCC offer for variation | |
| 39 | Electrical Field Isolators | 73,986 | Rejected | |
| 40 | Street Light Fittings | 9,885 | Finalised | |
| 41 | Offsite Cleaning of SS Reo Filters | 28,346 | Rejected | |
| 42 | Design Changes Roads and Gutters | 0 | Rejected | |
| 43 | Additional 150mm layer 4.8-9.6 Garnet | 94,836 | Finalised | 8 |
| 44 | Lamella Corrosion Warranty (agreed adjustment 23/1/17) | -330,000 | Finalised | |
| 45 | Concrete Slab between filter and Lamellas | 1,475 | Finalised | |

| | | | | |
|-----|---|---------|--------------------------|----|
| 46 | Remove Concrete Slab | 4,459 | Finalised | |
| 47 | Failed pressure test | 10,265 | Rejected | |
| 48 | Changes to Sludge Discharge pipework | 24,578 | Rejected | |
| 49 | Bore Water Pressure Line changes | 10,252 | Adjusted amount accepted | |
| 50 | Pop-up power outlets | 2,445 | Finalised | |
| 51 | Reroute centrate PS to Wash Water Holding Tank | 78,085 | Rejected | |
| 52 | Additional landscaping & Footpaths | 184,044 | Rejected | |
| 53 | NSC17 Asbestos at A2 to A203 and at A8-2 | 4,942 | Finalised | |
| 54 | Buildings Roof Drainage Connection to Stormwater System | 81,128 | Rejected | |
| 54b | Buildings Roof Drainage Connection to Stormwater System | 0 | RWCC offer for variation | |
| 55 | High Low Lift pump valves | 26,067 | Rejected | |
| 56 | Rework External Delivery Pipework | 16,748 | Finalised | |
| 57 | Rework Sludge Thickener Riser | 10,403 | Rejected | |
| 58 | Concrete Encase Stormwater | 11,663 | Rejected | |
| 59 | Concrete Encase Stormwater | 16,364 | Rejected | |
| 60 | Concrete Encase Washwater | 46,411 | Rejected | |
| 61 | Raw Water Piping Hazop Changes | 59,871 | Rejected | |
| 61b | Raw Water Piping Hazop Changes | | | 12 |
| 62 | Ancillary Pipework Material Changes | 88,438 | Rejected | |
| 62b | Ancillary Pipework Material Changes | 3,740 | RWCC offer for variation | |
| 63 | Dewatering Control Change | 7,506 | Rejected | |
| 63b | Dewatering Control Change | 3,300 | RWCC offer for variation | |
| 64 | Joinery, Sink & Fume Hood to Control Room | 24,616 | Rejected | |
| 65 | Thickener Rake Bearing Flushing Line | 18,292 | Rejected | |
| 66 | Power Monitor Comms with PLC | 5,603 | Rejected | |
| 66b | Power Monitor Comms with PLC | 3,300 | RWCC offer for variation | |
| 67 | Supply and Fix Additional Reinforcement in Concrete WRS | 344,355 | Rejected | |

| | | | | |
|-----|--|--------|-----------|----|
| 68 | Additional Hydrotite Jointing in WRS | 47,837 | Rejected | |
| 69 | Provision of Water Meters | 14,135 | Rejected | |
| 70 | Reroute Sewer | 14,557 | Rejected | |
| 71 | Concrete encase pipework | | Rejected | |
| 72 | | | | |
| 73 | Road Subgrade Replacement | 29,002 | Finalised | |
| 140 | Power Failure Alarm Circuit Modifications in Switch Boards | 5,647 | Finalised | |
| 141 | Drilled Holes for Raw Water Frame Footings | 2,274 | Approved | |
| 142 | Forklift access ramps to Chemical building | 12,772 | Approved | 10 |
| 143 | HL&LL Clear Water Pump mechanical seals | 70,361 | Approved | 11 |
| 144 | Chemical Building additional WAPs | 9,059 | Approved | 13 |

The UGL project status report issued since the last Council meeting are attached.

- [*UGL Project Status report – January 2018*](#)



PROJECT STATUS REPORT



January 2018

PROJECT: Wagga Wagga WTP Upgrade

CLIENT: Riverina Water County Council

CONTRACT NO.: W195

UGL PROJECT NO.: 3200-0485

REPORT DATE: 10th February 2017

REPORT NO.: 29

PROJECT MANAGER: Doug Anderson

PREPARED BY: Doug Anderson



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1.0 SUMMARY

Project progress in January was focussed on the following activities:

Electrical works - raw water FTPs & lamella lighting; clearwater pump station cabling; clearwater storage lighting; test and quality documentation.

Raw Water Intake – All draft tubes installed and headstocks completed, Raw water piping has been fitted and welded out, air and potable water services are at 60%

Clearwater Pump Station Building – Erection of structure 95%, 1 x low and 1 x high level pumps have been removed from site for refurbishment.

Lamella Clarifiers – Relocation of poly dosing in train 2 to improve even distribution of floc, sealing of lamella troughs.

Filters – Supply of remaining coal for filters 1, 2 & 3, order placed with James Cumming, delivery is anticipated late Feb

Civil/plumbing - Civil has focussed on various drainage works; installation of lamella/filter hose reels and remediation of defects.

Safety performance across the site continues to be well managed.

2.0 SCOPE OF WORK

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

3.0 HSSE

The total hours worked on the project this month were 5043 hours. Subcontractor hours recorded on site were 3950. Total hours worked on the project to date is 231,306.

There were 2 near misses and one property damage incidents during the month:

- Near Miss 1 - Qualified electrician (Kirk Industrial) was working in chemical building installing electrical equipment identification to electrical cable tray by securing the identification plate to a steel cover plate when the qualified electrician drilled a screw through the steel cover plate penetrating a live electrical cable (415volts). Causing the electrical equipment circuit breaker to activate and cut power to the cable & equipment the electrician was unable to isolate electrical system due to operational requirement of the Water Treatment Plant- air conditioning of the chemical rooms is required to be operating to keep the water treatment chemicals at the appropriate temperature. No injury occurred to electrician. Investigation recommended that the SWMS be revised to eliminate any chance of a similar incident occurring.
- Near Miss 2 - Foster excavation personnel were operating UGL telehandler transferring class 3 rock material from material stockpile down to a stockpile on eastern crane pad (coffer dam). The operator has been VOC'd and operating on Wagga WTP site for 6 months. The telehandler operator attempted to boom out the telehandler bucket loaded with class 3 rock over the stockpile he was developing to tip the load of class 3 material on the opposite side of the developed stockpile, during the attempt to place the material over the stockpile the telehandler reached its tipping point and the bucket of the telehandler tipped forward causing the rear wheels of the telehandler to be raised off the ground. The telehandler safety system activated and the shut down the telehandler. Incident reported immediately to UGL. Work in area

stopped, Franna crane was driven to telehandler location where appropriate lifting equipment was attached by a dogman. The Franna crane secured the telehandler and keep the telehandler stable while personnel shovelled material from the telehandler bucket to allow the telehandler to be lowered. The franna crane then lowered the rear of the telehandler to the ground when sufficient material was removed from the telehandler bucket. No damage/ no injury Utake 5 completed for retrieval works.

- Property Damage - UGL site management was informed by site personnel that construction material could have been thrown in to the raw water draft tubes by persons unknown. UGL instructed site subcontractor DTD to start an investigation into the possible vandalism. DTD removed the Johnson screens in the raw water intake structure at to bottom of the draft tubes and placed a suction hose into the draft tube to remove most of the rain and washout water sitting at the low point of the draft tubes. DTD personnel & UGL HSSE performed a UGL confine space risk assessment and developed SWMS, work method, emergency retrieval plan and a UGL confine space permit was issued. DTD confined space trained personnel entered the draft tubes (3 mtrs in distance) and sucked the remaining water out with a small suction hose to reveal the material thrown into the draft tube. The material removed by DTD personnel were large and small rocks, small pieces of concrete, used nails and form ply, these items where large enough to possibly cause damage to an operating pump. Photos taken by DTD personnel to provide confirmation of the draft tube cleanliness, open end of draft tubes sealed.

Site inductions of 10 individuals have been undertaken with current total of 720 inductions completed not including visitor inductions and UGL HSSE pre-start meetings were conducted on all working days, also individual subcontractor pre-start meetings occurred on site daily.

Looking towards Feb/March we will be focussed on the following:

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

The Safety Report for this month is contained in Appendix B.

4.0 RISK / CRITICAL ACTION AREAS

Summary of Top Risks at October: -

| Risk Description | Potential Impact | Control Measures |
|--------------------------------------|---|---|
| Quality and specification issues | Impact to project efficiency and rate of completion Additional resources required for investigation and remedy. Subcontractor Impact to Client Relations and Perceptions | Ensure incoming inspections are completed with due diligence Engage with subcontractors & suppliers about prompt rectification of issues |
| Commissioning Program Overrun | Plant not ready for performance trial by the required date. | Install temporary raw water supply to lamella clarifier to provide a supplemental supply for summer demand |
| Raw Water Works Construction overrun | Constraint on commissioning activities | Plan and execute a temporary raw water supply utilizing the existing RWCC river pumps |
| Exceptional Inclement Weather | Delays associated with site inundation due to additional rainfall on site and rise in river levels. | Use construction methodologies which mitigate impacts. |

5.0 CONTRACT/COMMERCIAL

5.1 Progress Claim

The table below summarises the progress to the 31st January.

WAGGA WAGGA WATER TREATMENT PLANT

| Item No. | Schedule of Prices | Total Claim to date | |
|----------|---|---------------------|-------------|
| | | % complete | Claim Value |
| 1 | Provision of Preconstruction Activities | | |
| | Preconstruction Activities subtotal (1) | 100% | |
| 2 | Provision of Project Management and Site Running Activities | | |
| | Prooject Management Activities subtotal (2) | 96% | |
| 3 | Complete all additional designs, where required | | |
| | Design and Documentation subtotal (2) | 100% | |
| 4 | Intake Works | | |
| | Intake Works - General subtotal (3) | 45% | |
| 5 | Raw Water Piping System | | |
| | Raw Water Piping subtotal (4) | 81% | |
| 6 | Lamella & Rapid Mix Tank | | |
| | Lamella & Rapid Mix Tank subtotal (5) | 100% | |
| 7 | Filters | | |
| | Filters subtotal (7) | 100% | |
| 8 | Filter Water Tank & Backwash | | |
| | Filter Water Tank & Backwash subtotal (8) | 100% | |
| 9 | Machinery Room | | |
| | Machinery Room subtotal (9) | 99% | |
| 10 | Clear Water Storage & Pumping System | | |
| | Clear Water subtotal (10) | 98% | |
| 11 | Aluminuium Dosing Plant | | |
| | Aluminium Dosing Plant subtotal (11) | 99% | |



| | | | |
|----|--|------|--|
| 12 | PACL Dosing Plant | | |
| | PACL Dosing Plant subtotal (12) | 99% | |
| 13 | Caustic Soda Dosing Plant Facilities | | |
| | Caustic Soda Dosing Plant subtotal (13) | 99% | |
| 14 | Sodium Hydrochlorite Dosing Plant | | |
| | Sodium Hydrochlorite Dosing Subtotal (14) | 100% | |
| 15 | Polymer Dosing Plant | | |
| | Polymer Dosing Plant subtotal (15) | 100% | |
| 16 | Fluoride Dosing Plant | | |
| | Fluoride Dosing subtotal (16) | 100% | |
| 17 | Other Items | | |
| | Other Items subtotal (17) | 88% | |
| 18 | Electrical Items | | |
| | Electrical subtotal (18) | 98% | |
| 19 | Testing Demonstration Commissioning | | |
| | Testing Demonstration and Commissioning (19) | 21% | |
| 20 | Post Process Proving | | |
| | Post Process Proving (20) | 24% | |
| 21 | Sludge Handling & Dewatering System | | |
| | Sludge Handling subtotal (19) | 98% | |
| 22 | Other Options Accepted | | |
| | Options subtotal (20) | 100% | |
| 23 | Variations | | |
| | Variations Subtotal | 77% | |

5.2 Variations

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

| Variation No. | Title | Amount (\$ 000) Excl. GST | Status |
|---------------|---|---------------------------|------------------------------|
| VO01 | Control System Design for fully networked plant | 15 | Approved |
| VO02 | AC Road Surface | 101 | Approved |
| VO03 | Future UV | 21 | Approved |
| VO04 | Disabled Access | 278 | Approved |
| VO05 | Aggressive Water Response | 79 | Approved |
| VO06 | NSC02 – removal of Gyprock | 5 | Approved |
| VO07 | Transformer supplied by principle | - 244 | Approved |
| VO09 | Chemical Dosing – Alum Storage | 81 | Approved |
| VO10 | Switchboards additional spare capacity | 8 | Approved |
| VO11 | Lamella plate capacity | 45 | Approved |
| VO12 | Sewer pump station | 5 | Approved |
| VO13 | Manual Penstocks on Clarifier Inlet | 9 | Approved |
| VO14 | Increased bearing capacity in the filters | 31 | Approved |
| VO15 | Waste in excavation NSC04 & NSC06 | 10 | Approved |
| VO16 | Asbestos in Levee | 26 | Approved |
| VO17 | Warehouse Facility | - 18 | Approved |
| VO18 | Filter Gallery Trenches | 41 | Approved |
| VO19 | Additional 25mm cover to Slab | 8 | Approved |
| VO20 | Raw Water Intake | 105 260 | 20A Approved 20B Approved |
| VO21 | Material Compatibility Changes | - 17 | Approved |
| VO23 | Pits under existing centrifuge building - NSC10 | 8 | Approved |
| VO24 | Clear Water Pumps Mechanical Seal | 1.5 | Approved |
| VO25 | Bomen Line | 80 | Approved |
| VO26 | NSC11 Material Excavated under UGL Carpark | 27 | Approved |
| VO27 | NSC12 Asbestos at Wash Water Holding Tank | 3 | Approved |
| VO29 | Filter Water Overflow Changes | -80 | Approved |
| VO30 | Site Road Realignment | 17 | Approved |
| VO31 | Roof Access Ladder to Centrifuge Building | 14 | Approved |
| VO33 | Flowmeter Modbus Communications | 22 | Approved |
| VO34 | Caustic Building Lighting Changes | 3 | Approved |
| VO36 | Sludge Thickener Infill Slab | 90 | Approved |
| VO40 | Street Light Fittings | 9 | Approved |



| | | | |
|--------------|---|------|----------|
| VO43 | S&I 4.8 to 9.6 Garnet Filter Media | 86 | Approved |
| VO44 | Lamella Corrosion | -300 | Approved |
| VO45 | Concrete slab between filters and Lamella | 1 | Approved |
| VO46 | NSC16 Remove Concrete Slab | 4 | Approved |
| VO49 | Bore Water Pressure Line Changes | 9 | Approved |
| VO50 | Filter Building Pop out Power Outlets | 2 | Approved |
| VO53 | NSC17 Asbestos at A2 to A203 | 4 | Approved |
| VO56 | Rework External Chemical Delivery Pipework | 15 | Approved |
| VO73 | Road Subgrade Replacement | 26 | Approved |
| VO140 | Power Failure Alarm Modification | 5 | Approved |
| VO141 | Raw Water Disassembly Frame Footings | 2 | Approved |
| VO142 | Chemical Building Forklift Access Ramps | 12 | Approved |
| VO143 | Conversion of Hi & Low Lift Pumps to Mechanical Seals | 64 | Approved |

There are number of unresolved commercial issues some of which may have to be resolved by senior management

6.0 FINANCE

The table below summarises the invoices and payment status.

| Claim Description | Invoice no. | Amount | Claim/Invoice Status |
|-------------------------------|--------------------|-----------------|-----------------------------|
| W195 Progress Claim 1 | Invoice # 1 | \$ 879,128.59 | Paid |
| W195 Progress Claim 2 | Invoice # 2 | \$ 1,428,346.00 | Paid |
| W195 Progress Claim 3 | Invoice # 3 | \$ 1,246,918.00 | Paid |
| W195 Progress Claim 4 | Invoice # 4 | \$ 2,341,562.00 | Paid |
| W195 Progress Claim 5 | Invoice # 5 | \$ 2,269,089.00 | Paid |
| W195 Progress Claim 6 | Invoice #6 | \$ 1,652,403.00 | Paid |
| W195 Progress Claim 7 | Invoice #7 | \$ 2,039,696.00 | Paid |
| W195 Progress Claim 8 | Invoice #8 | \$ 1,764,615.00 | Paid |
| W195 Progress Claim 9 | Invoice #9 | \$ 2,037,494.00 | Paid |
| W195 Progress Claim 10 | Invoice #10 | \$ 2,540,706.00 | Paid |
| W195 Progress Claim 11 | Invoice #11 | \$ 3,296,966.00 | Paid |
| W195 Progress Claim 12 | Invoice #12 | \$1,309,013.00 | Paid |
| W195 Progress Claim 13 | Invoice #13 | \$1,208,270.00 | Paid |
| W195 Progress Claim 14 | Invoice #14 | \$ 967,609.00 | Paid |
| W195 Progress Claim 15 | Invoice #15 | \$ 714,741.00 | Paid |
| W195 Progress Claim 16 | Invoice #16 | \$ 582,416.00 | Paid |
| W195 Progress Claim 17 | Invoice #17 | \$ 723,083.00 | Paid |
| W195 Progress Claim 18 | Invoice #18 | \$ 614,612.00 | Paid |
| W195 Progress Claim 19 | Invoice #19 | \$ 502,532.00 | Paid |
| W195 Progress Claim 20 | Invoice #20 | \$ 480,610.00 | Paid |
| W195 Progress Claim 21 | Invoice #21 | \$ 327,361.10 | Paid |
| W195 Progress Claim 22 | Invoice #22 | \$ 170,888.00 | Paid |
| W195 Progress Claim 23 | Invoice #23 | \$ 304,322.00 | Paid |



| | | | |
|--------------------------------|--------------|---------------|----------|
| W195 Progress Claim 24 | Invoice #24 | \$ 0.00 | Paid |
| W195 Progress Claim 25 | Invoice #25 | \$ 0.00 | Paid |
| W195 Progress Claim 26 | Invoice #26 | \$ 55,051.00 | Paid |
| W195 Progress Claim 27 | Invoice #27 | \$ 303,036.00 | Paid |
| W195 Progress Claim 28 | Invoice #28 | \$ 280,348.00 | Paid |
| W195 Progress Claim 29 | Invoice #29 | \$ 341,270.00 | Paid |
| W195 Progress Claim 29A | Invoice #29A | \$ 417,372.00 | Paid |
| W195 Progress Claim 30 | Invoice #30 | \$ 252,965.00 | Approved |

7.0 PROGRAMME

A revised programme has been produced which encompasses the remaining works and the most recent version is included in App C.

The version attached to this report (5/2/18) reflects the most recent change.

The programme has been constructed with Microsoft Project and will be managed by site, it will remain a live document which will be continually updated as circumstances dictate.

Construction/Completion Summary

- The plant has been producing potable water since early December 2017 at between 20 ML/D and 30 ML/D using the existing raw water RWCC pumps thru a temporary pipeline without any major issues.
- Raw Water pumps are expected to arrive onsite by mid - Feb 2018
- The Raw Water Intake concrete work is complete within the cofferdam with all the draft tubes and headstocks completed. Rock revetment at the North wall is complete and placement of the revetment on the West and East sides has commenced. Placement of rocks and gabions will continue through until late March 2018 followed by riverbank rehabilitation that will be completed by the end of April.
- Mechanical installation within/on the inlet structure is 90% complete.
- Mechanical and electrical installation for the rest of the intake structure is scheduled for completion by the first week of March
- Commissioning of the Raw Water Pumps to commence late – March with operations commencing in April 2018.
- Procurement, loading, washing & commissioning of the remaining filter coal will be completed by mid - March 2018
- Site roads will be completed by mid-March and general site landscaping by the end of April 2018
- All other miscellaneous works, footpaths, random slabs, additional drainage is targeted for completion by April 2018.
- It is the intention that the outstanding major defects (PLC wiring, isolation switches, electric motor replacement) will be completed during an 8 week period in winter, nominally from May to July 2018

8.0 QUALITY

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

We continue to work through finalising the quality issues with some of fabricated equipment with many of the issues now closed out. In some instances, remedial works have been required to meet the aspects of the specification and we are working with suppliers as needed to remedy these.

9.0 ENVIRONMENTAL

Project Construction Environmental Management Plan continues to be implemented.

The health of the flying fox colony near the Raw Water Intake is now monitored weekly by an ecologist from NGH Environmental

10.0 INDUSTRIAL RELATIONS

No issues.

11.0 DESIGN AND TECHNICAL

Design is 97% complete, misc mech & elec remain e.g. brackets & supports.

12.0 COMMISSIONING

Temporary raw water supply & flowmeter 100%
Raw Water Pumps 0%
Lamella Clarifier – Train one 95%, train two 95%
Lamella Sludge Pumps 95%
PLC sequencing 90%
Instrument Wet Rack 95%
Sample Pumps 95%
Filters 75%
Backwash Pumps 95%
Washwater Pumps 95%
Process Water Pumps 95%
Chemical Dosing 90%
Clearwater Storage 95%
Clearwater Pumps 90%

The continuing focus of commissioning in the next month will be to optimize the plant operation.

13.0 STAKEHOLDERS

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

14.0 SITE PROGRESS



Photo 1: Raw Water Intake



Photo 2: Raw Water Intake



Photo 3: Raw Water Intake

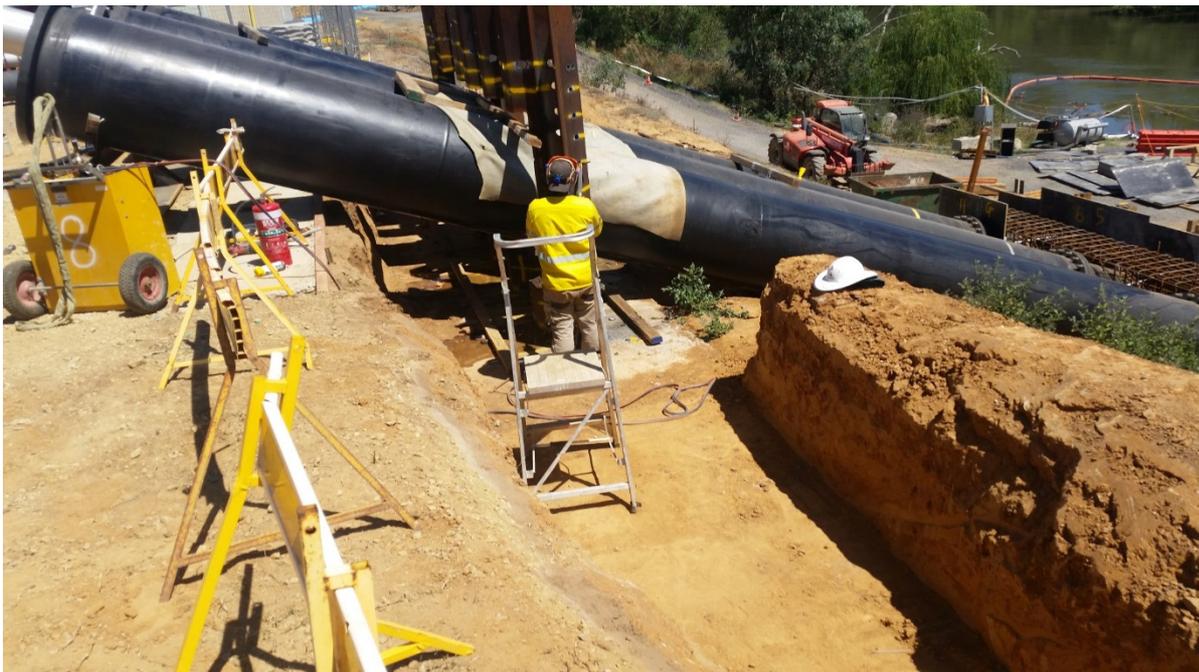


Photo 4: Raw Water Intake



Photo 5: Raw Water Intake



Photo 6: Raw Water Intake



Photo 7: Raw Water Intake



Photo 8: Raw Water Intake

APPENDIX A – SCOPE OF WORKS SUMMARY

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

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

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

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

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

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

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

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

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



APPENDIX B – MONTHLY SAFETY REPORT

HSSE Monthly Safety Report –January 2018

1.0 Overview Statistics

| | January 2018 | Total to Date |
|----------------------------------|--------------|---------------|
| UGL Hours | 1093 | 66,770 |
| Subcontractor hours | 3950 | 164,536 |
| Total Site Hours | 5043 | 231,306 |
| LTIFR: Target <.50 | | 4.2 |
| TRIFR: Target 2.70 | 0 | 0 |
| MTIFR: | 0 | 0 |
| Lost Time Injuries (LTI) | 0 | 1 |
| Days lost to LTI | 0 | 71 |
| Medical Treatment Injuries (MTI) | 0 | 0 |
| 1 st Aid Injuries | 0 | 6 |
| Incidents: | | |
| Injury | 0 | 7 |
| Damage/ Loss | 0 | 25 |
| Near Miss | 2 | 50 |
| Hazard | 5 | 140 |
| Report Only | 0 | 11 |
| Journey Incident | 0 | 1 |
| Non-work-related injury | 0 | 0 |
| Environmental | 3 | 14 |
| Safety Initiatives: | 0 | 13 |
| Workplace Safety Inspections | | 701 |
| Environmental Inspections | 3 | 90 |
| Safety Conversations (UGL) | | 1,094 |

| | | |
|-----------------------------------|------|------|
| Utake 5 (UGL) | 100 | 5708 |
| Hazobs | 5 | 531 |
| Site audit (e.g. Plant pre-start) | 2 | 92 |
| SWMS reviews | 5 | 358 |
| Site inductions | 10 | 720 |
| Tool box meetings | 2 | 89 |
| Training hours | 1 | 134 |
| Plant delivery inspections | 1 | 190 |
| Checkit compliance (UGL) | 100% | 100% |
| UGL/ External Audits | 0 | 3 |
| Alcohol Breath tests | 19 | 3646 |
| Drug tests | 0 | 176 |

2.0 Incident Summary

The following incidents occurred on site in January 2018.

Near Miss: Qualified electrician (Kirk Industrial) was working in chemical building (Fluoride room) installing electrical equipment identification to electrical cable tray by securing the identification plate to a steel cover plate when the qualified electrician drilled a screw through steel cover plate penetrating an live electrical cable (415volts). Causing the electrical equipment circuit breaker to activate and cut power to the cable & equipment the electrician was unable to isolate electrical system due to operational requirement of the Water Treatment Plant- air conditioning of the chemical rooms is required to be operating to keep the water treatment chemicals at the appropriate temperature. No injury occurred to electrician

Actions: Electricians repairing cable- Incident investigation started - SWMS & method changed after review

Near Miss: Foster excavation personnel was operating UGL telehandler transferring class 3 rock material from material stockpile down to a stockpile on eastern crane pad (coffer dam). The operator has been VOCed and operating on Wagga WTP site for 6 months. The telehandler operator attempted to boomed the telehandler bucket loaded with class 3 rock over the stockpile he was developing to tip the load of class 3 material on the opposite side of the developed stockpile, during the attempt to place the material over the stockpile the telehandler reached its operating capacity and the bucket of the telehandler tipped forward causing the rear wheels of the telehandler to be raised off the ground. The

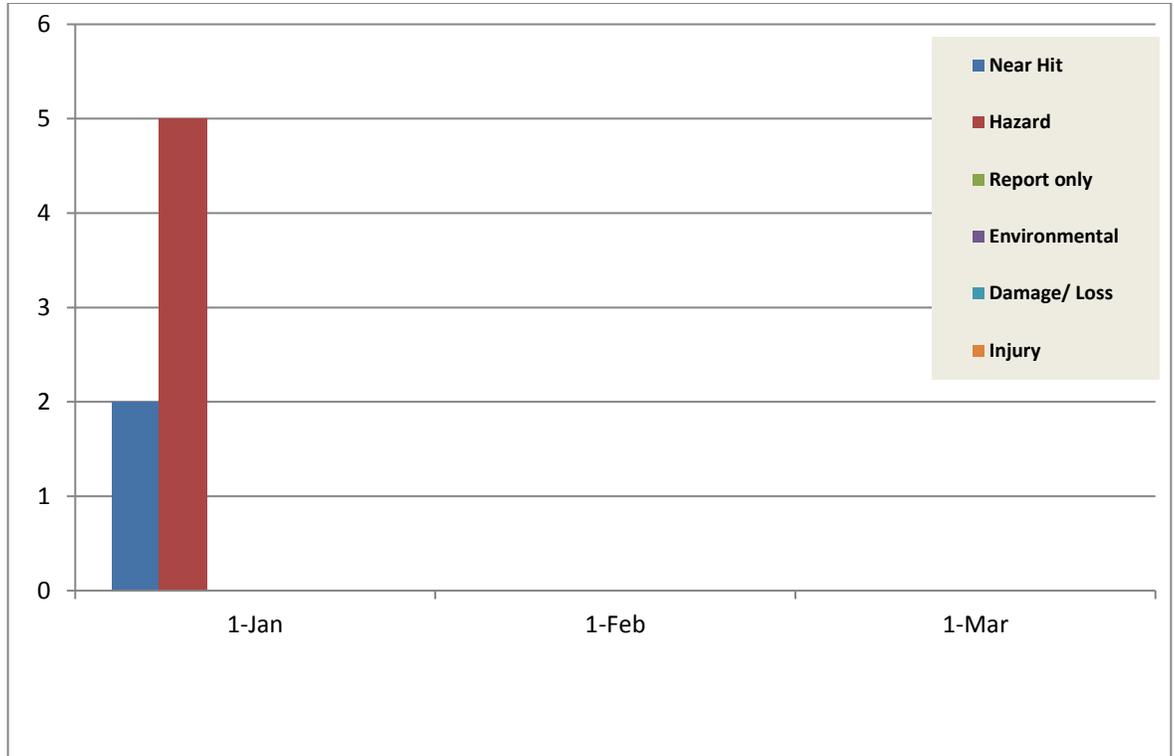
telehandler safety system activated and the shut down the telehandler. Incident reported immediately to UGL

Actions: Work in area stopped. Franna crane was driven to telehandler location where appropriate lifting equipment was attached by DTD dogman. The Franna crane secured the telehandler and keep the telehandler stable while personnel shoveled material from the telehandler bucket to allow the telehandler to be lowered. The franna crane then lowered the rear of the telehandler to the ground when sufficient material was removed from the telehandler bucket. No damage/ no injury Utake 5 completed for retrieval works.

Damage: UGL site management was informed by site personnel that construction material could have been thrown in to the raw water draft tubes by persons unknown. Vandalism by persons unknown

Actions; UGL instructed site subcontractor DTD to start investigation into the possible vandalism. DTD removed the Johnson screens in the raw water intake structure at to bottom of the draft tubes and placed a suction hose into the draft tube to majority of the rain water sitting in the base of the draft tube. DTD personnel & UGL HSSE performed a UGL confine space risk assessment and developed SWMS, work method, emergency retrieval plan and a UGL confine space permit. DTD confined space trained personnel entered the draft tubes (3 meters in distance) and sucked the remaining water out with a small suction hose to reveal the material thrown into the draft tube. The material identified, located and removed by DTD personnel where large and small rocks, small pieces of concrete, used nails, form work ply these items where large enough to cause damage to an operating pump. Photos taken by DTD personnel to provide evidence of the draft tube now free of material.

Wagga Wagga WTP Incident trends



- January 2018 10 Site inductions not including visitor's inductions
- Site wide training in UGL Isolation procedure
- Continuing education of local subcontractors regarding SWMS & Safety Culture Development/ Awareness
- Safety Award January 2018

3.0 Project Safety Initiatives for February 2018

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

➤ **UGL Daily Pre-start meetings:**

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

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

➤ **UGL Weekly Toolbox meeting:**

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

➤ **Site Safety Inspections:**

Continuing compliance with UGL WWTP Project Safety Management Plan via:

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

➤ **Fitness for Work:**

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

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

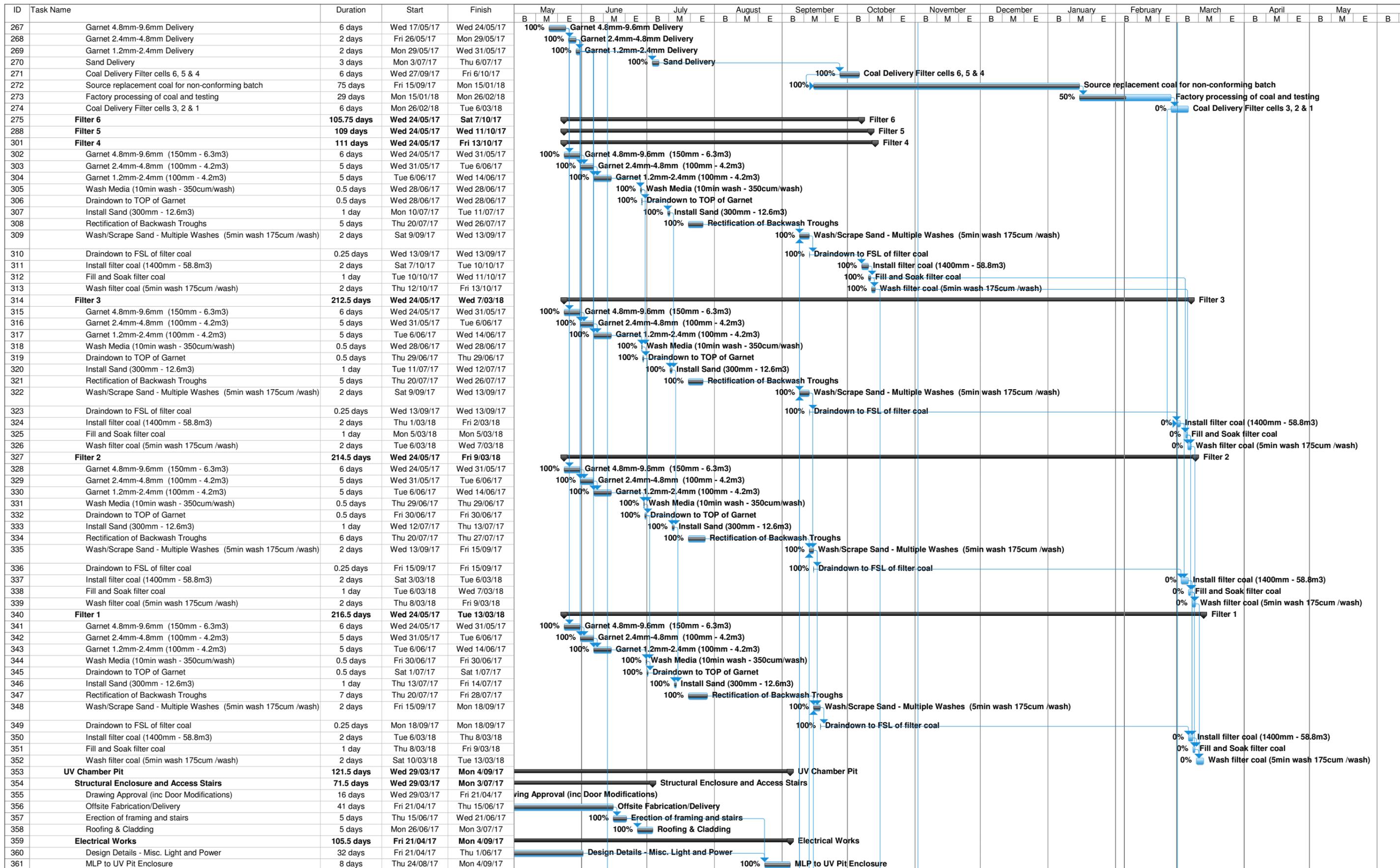
Mark Hunter

UGL Safety Advisor



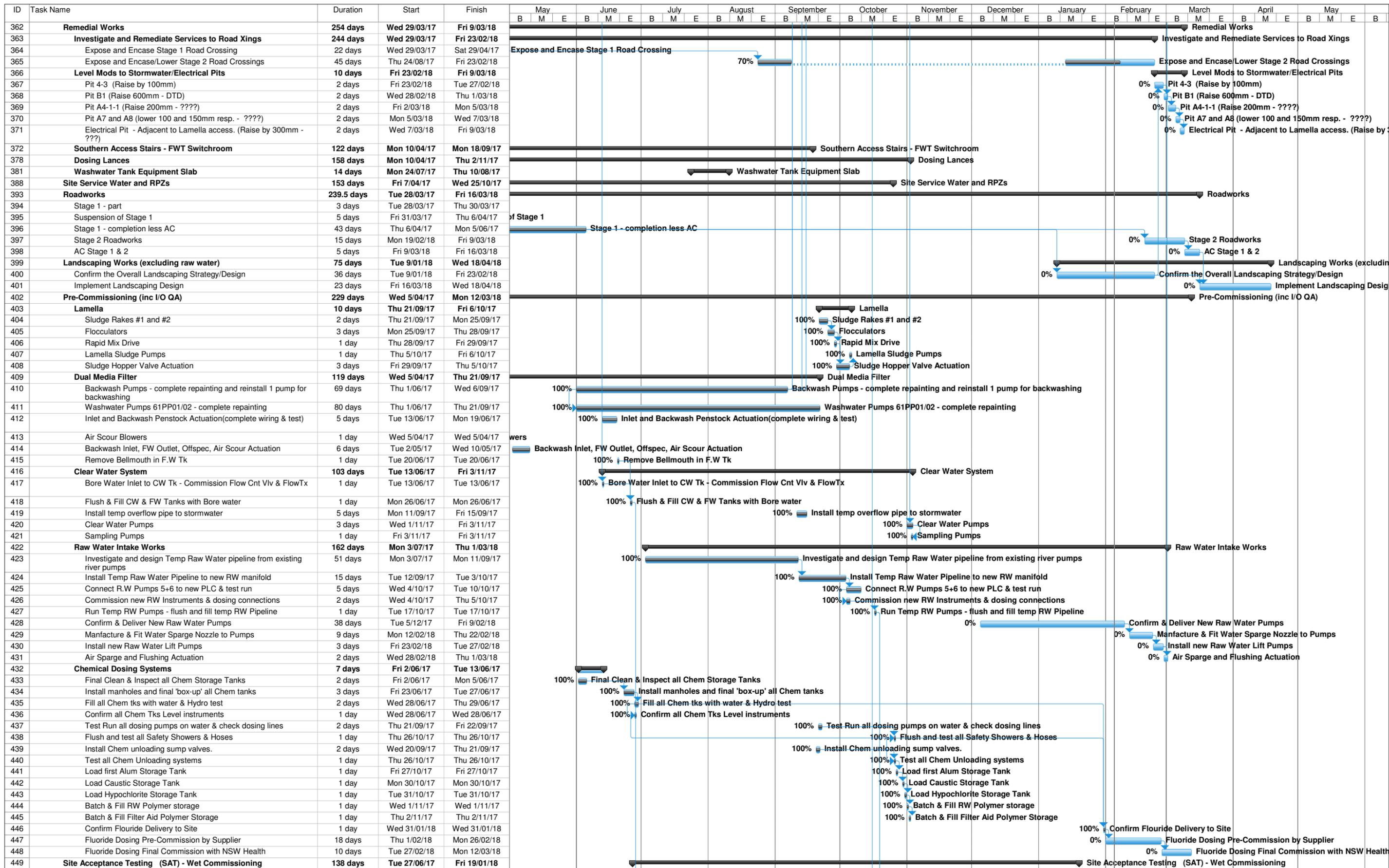
APPENDIX C – PROJECT PROGRAMME

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Date: Mon 5/02/18
File : Wagga WTP Schedule to Complete.180205.mp

| | | | | | | | | | | | |
|----------------|--|-------------------------|--|--------------------|--|-----------------------|--|----------------|--|----------|--|
| Task | | Rolled Up Critical Task | | Project Summary | | Inactive Summary | | Start-only | | Deadline | |
| Critical Task | | Rolled Up Milestone | | Group By Summary | | Manual Task | | Finish-only | | | |
| Milestone | | Rolled Up Progress | | Inactive Task | | Duration-only | | Critical | | | |
| Summary | | Split | | Inactive Task | | Manual Summary Rollup | | Critical Split | | | |
| Rolled Up Task | | External Tasks | | Inactive Milestone | | Manual Summary | | Progress | | | |



Date: Mon 5/02/18
File : Wagga WTP Schedule to Complete.180205.mp

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|----------------|--|-------------------------|--|--------------------|--|-----------------------|--|----------------|--|----------|--|
| Task | | Rolled Up Critical Task | | Project Summary | | Inactive Summary | | Start-only | | Deadline | |
| Critical Task | | Rolled Up Milestone | | Group By Summary | | Manual Task | | Finish-only | | | |
| Milestone | | Rolled Up Progress | | Inactive Task | | Duration-only | | Critical | | | |
| Summary | | Split | | Inactive Task | | Manual Summary Rollup | | Critical Split | | | |
| Rolled Up Task | | External Tasks | | Inactive Milestone | | Manual Summary | | Progress | | | |

4. THE ROCK RESERVOIR

RECOMMENDATION: Council continue with the current strategic planning for a new reservoir for The Rock to allow construction to commence in-line with additional demand requirements.

Background

In October 2016 Council received a report regarding the 30 year plan for future growth at The Rock. The report recommended upgrading part of The Rock reticulation system and further investigating options for a new reservoir site. The recommendation was based on the demand of approximately 700 new connections at The Rock. The reticulation upgrade was completed in 2017 and Council's proposed CAPEX budget has \$50,000 allocated for reservoir investigation in 2018/19, with \$200,000 for earthworks in 2020/21 and \$2,000,000 for construction in 2025/26. The report outlined the need for a new reservoir based on the existing pressure levels within the town and the potential for significant growth over the next 30 years. Council's service level for pressure is to provide between 12m and 120m head at the water meter when the service has no flow (Operational Plan 2017/2018).

Discussion

In order to measure pressure levels throughout the township, data loggers were installed at five locations from 16 January 2018 to 24 January 2018. The three locations on the north side of The Rock have consistent pressure (1-2m variance) throughout the measurement period. The southern side of The Rock is connected to the Southern Trunk Main (STM) through a Pressure Reducing Valve (PRV) and is affected by pumping operations with pressure fluctuating up to ~35m at times. All of the sites measured are greater than the minimum service level. Extreme fluctuations in pressure appear to be due to construction works drawing water from the main. The results are shown below:

| Location | Pressure level (m) (% of readings in range) |
|----------------------|---|
| Piper Street | 29 – 31 (100%) |
| Urana Street laneway | 29 – 31 (100%) |
| End of Day Street | 27 – 28 (100%) |
| Milne Street | 32 – 45 (98%) |
| Olympic Hwy PRV | 37 – 49 (98%) |

Table 1 – Data logger results and locations

The Top Water Level (TWL) of the existing reservoir is 241m with ground levels around 210m. This indicates that head losses are minimal and any capital works incorporating the existing reservoir are unlikely to see any improvement. Ultimately the only way to significantly increase pressure on the northern side of The Rock is to construct a new reservoir at a higher level. As stated earlier provision for this has been planned for in the ten year CAPEX budget and is an appropriate long-term solution.

Construct new reservoir once demand is required

Council’s annual figures below show the number of new connections in The Rock.

| Year | Number of new connections |
|-------------|----------------------------------|
| 2011/12 | 1 |
| 2012/13 | - |
| 2013/14 | 4 |
| 2014/15 | 1 |
| 2015/16 | - |
| 2016/17 | 2 |
| 2017/18 | 5 |

Table 2 – New connections at The Rock

The October 2016 report justified the need for a new reservoir based on an additional 700 new connections. This number of new connections cannot be serviced from the existing reservoir or the STM PRV. As with other council infrastructure, the development servicing charges associated with 700 new connections would be used to fund the construction of the new reservoir (700 connections @\$5053 = \$3.5M). In 2017/2018 five new properties were connected. At 5 connections per year, demand will require a new reservoir in 7 years, (approximately 2025). At 4 connections per year, demand will require a new reservoir in 8-9 years (approximately 2026 – 2027).

At the historic growth rate (over the last 5 years) of 2.5 connections per year, demand will require a new reservoir in 14 years (approximately 6 to meet the future growth. An expected timeline to meet that date would include construction in 2025, with investigation, land acquisition and project planning occurring before this. Prudent strategic planning could involve the concept investigation and the land matters being carried out within the next 2-3 years, ready for construction when necessary.

Construct new reservoir regardless of demand

The current pressure level of The Rock is above Council’s minimum service levels, and is consistent with (or greater than) other towns within Riverina Water’s service area, such as Yerong Creek, Urana, Lockhart, Boree Creek and Walla Walla. For example the TWL of Lockhart Reservoir is 19m above ground level, providing Lockhart with approximately 10m less head than is currently available at The Rock. The current reservoir can meet the existing capacity demand of the northern side of The Rock. A new reservoir at The Rock is not required at present based on either the current demand or pressure.

Connect The Rock to the Southern Trunk Main

An alternative short term option has been considered, to connect The Rock town reticulation to the STM. The pressure difference between the STM and The Rock means further PRV's would need to be installed and The Rock reservoir would be disconnected. PRV's are mechanical devices which can fail and may cause high pressures to pass through the system. Notwithstanding a potential failure, The Rock reticulation varies in age from 1942, 1978 and the 2000s. As noted in the 2016 report, there are issues with old mains being introduced to higher pressures, particularly when coupled with high fluctuations in pressure, such as off the STM. The upgrade of pressure at Uranquinty is an example where significant replacement work had to be undertaken to prevent repeated failures of reticulation mains. In order to address the potential failures, funding will need to be allocated for mains replacement, once the timing of the reservoir has been confirmed, to occur before the reservoir is completed.

In addition to the potential for increased failures, the current and new rural reservoir supply from the STM was not designed to cater for The Rock township. The Rock has its own dedicated reservoir for this purpose. Disconnecting The Rock reservoir would mean any outage for service, maintenance or failure, would result in The Rock residents having no water until the issue is resolved or the work is finished. Having a dedicated reservoir for a township means that if there is any failure in pump operations, treatment or mains, the town can still be supplied with water for approximately 24 hours at peak demand.

A PRV connection to the STM is a higher risk option with respect to outages, than a replacement reservoir.

To summarise the options for The Rock;

- Continue with the proposed strategy (new reservoir @\$2M) once additional demand is required (earliest forecast 2026);
- Bring forward the proposed strategy (new reservoir @\$2M) regardless of additional demand;
- Connect The Rock reticulation to the STM (cost to be determined) and construct a new reservoir when additional demand is required.

With all of the above options, capital works to renew existing reticulation mains will be required, along with associated funding. This can be incorporated into the annual mains replacement program.



Bede Spannagle
DIRECTOR OF ENGINEERING

QUESTIONS & STATEMENTS

CLOSURE OF MEETING TO THE PUBLIC
(Confidential Reports)