

**MINUTES for the MEETING of GOLDENFIELDS WATER COUNTY COUNCIL held at GOLDENFIELDS WATER COUNTY COUNCIL OFFICES on FRIDAY 29 AUGUST 2008 starting at 1.13pm.**

**PRESENT**

Cr. D. Bolte (Chair), Cr. C. Manchester, Cr. P. Speirs, Cr. J. McGregor, Cr. D. Palmer, Cr. J. O'Brien, Cr. J. Macaulay and Cr. D. Edwards.

**ALSO IN ATTENDANCE**

Mr. P. Wearne, General Manager, Mr. P. Dwyer, Manager Administration, Mr. N. Nasser, Manager Production and Distribution, Mr. B. West, Manager Engineering and Miss. K. Turner, Executive Assistant.

**A. APOLOGIES**

**Nil.**

**B. CONFIRMATION OF MINUTES OF MEETING HELD ON 26 JUNE 2008**

08/070 The Minutes of the meeting held on 26 June 2008 having been circulated and read by the Members, were confirmed as amended on the motion of Crs. Manchester and Palmer.

**C. BUSINESS ARISING FROM MINUTES**

**Nil.**

**D. CORRESPONDENCE**

The Hon Frank Sartor MP  
(Received 8/8/08)

Courtesy copy to Mr Robert Rust,  
Chief Executive, Health Infrastructure,  
NSW Dept of Health. Determination  
that Developer Charges are not payable  
in accordance with Section 306(5) of  
the Water Management Act 2000.

**Recommendation**

The information be noted.

08/071 **RESOLVED** on the motion of Crs. McGregor and Manchester that the information be noted.

**E. FINANCIAL REPORT (P. Dwyer)**

**1. CHEQUE WARRANT – JUNE 2008 AND BANK RECONCILIATION Warrant**

<b>Fund</b>	<b>Voucher Numbers</b>	<b>\$</b>
Water	EFT's 18895 – 19033	
	Autopays 600264-600265	
	Cheques 71814 – 71932	\$1,408,617.46

**Bank Reconciliation**

Opening Balance	\$ 79,205.59
Deposits	\$1,474,314.64
	<u>\$1,553,520.23</u>
Withdrawals	\$1,408,617.46
Balance as at 30 June 2008	<u>\$ 144,902.77</u>

**2. CHEQUE WARRANT – JULY 2008 AND BANK RECONCILIATION Warrant**

<b>Fund</b>	<b>Voucher Numbers</b>	<b>\$</b>
Water	EFT's 19035 – 19910	
	Autopays 600266-600268	
	Cheques 71933 – 72001	\$1,873,082.34

**Bank Reconciliation**

Opening Balance	\$ 144,902.77
Deposits	\$1,834,344.53
	<u>\$1,979,247.30</u>
Withdrawals	\$1,873,082.34
Balance as at 31 July 2008	<u>\$ 106,164.96</u>

**3. REPORT OF COUNCIL INVESTMENTS**

Listed below are Council's Investments as at 30 June 2008

<b>Financial Institution</b>	<b>Face Value</b>	<b>Annualised Interest Rate %</b>
NSW Treasury – Cash Facility	\$6,327,609.93	7.65
Local Govt Financial Services – FOCF	\$5,156,087.01	8.12
Local Govt Financial Services – 12m Cash	\$1,490,255.58	6.39
Commonwealth Bank – At Call	\$591,389.10	7.20
LGFS Term Deposit due 18.7.08-199532	\$2,120,000.00	7.73
LGFS Term Deposit due 18.7.08-199559	\$850,000.00	7.69
LGFS Term Deposit due 7.8.08-198091	\$500,000.00	7.59
LGFS Term Deposit due 19.9.08-199804	\$500,000.00	7.97
LGFS Term Deposit due 3.10.08-198954	\$500,000.00	8.05
CBA Term Deposit due 27.10.08	\$750,000.00	7.93
LGFS Term Deposit due 21.5.09-199299	\$1,300,000.00	8.02
LGFS Term Deposit due 5.6.09-199460	\$500,000.00	8.45
<b>TOTAL:</b>	<b>\$20,585,341.62</b>	

The above investments include the following restricted assets:

<b>Purpose</b>	<b>Amount</b>
Plant and vehicle replacement	\$870,000
Employees leave entitlements	\$1,383,000
Sales fluctuation	\$1,558,000
Infrastructure replacement	\$15,381,000
<b>Total:</b>	<b>\$19,192,000</b>

**4. REPORT OF COUNCIL INVESTMENTS**

Listed below are Council's Investments as at 31 July 2008

<b>Financial Institution</b>	<b>Face Value</b>	<b>Annualised Interest Rate %</b>
NSW Treasury – Cash Facility	\$6,370,848.63	8.05
Local Govt Financial Services – FOCF	\$5,192,555.33	8.32
Local Govt Financial Services – 12m Cash	\$1,501,005.41	8.50
Commonwealth Bank – At Call	\$1,504,638.37	7.20
LGFS Term Deposit due 7.8.08-198091	\$500,000.00	7.59
LGFS Term Deposit due 19.8.08	\$850,000.00	7.56
LGFS Term Deposit due 19.9.08-199804	\$500,000.00	7.97
LGFS Term Deposit due 19.9.08	\$1,120,000.00	7.70
LGFS Term Deposit due 3.10.08-198954	\$500,000.00	8.05
CBA Term Deposit due 27.10.08	\$750,000.00	7.93
LGFS Term Deposit due 21.5.09-199299	\$1,300,000.00	8.02
LGFS Term Deposit due 5.6.09-199460	\$500,000.00	8.45
LGFS Term Deposit due 17.7.09	\$1,000,000.00	8.40
<b>TOTAL:</b>	<b>\$21,589,047.74</b>	

The above investments include the following restricted assets:

<b>Purpose</b>	<b>Amount</b>
Plant and vehicle replacement	\$870,000
Employees leave entitlements	\$1,383,000
Sales fluctuation	\$1,558,000
Infrastructure replacement	\$15,381,000
<b>Total:</b>	<b>\$19,192,000</b>

I hereby certify that the investments have been made in accordance with the Act, the Regulations and Council's investment policy.

**Recommendation**

That the information in respect of items E1 to E4 be noted.

08/072 RESOLVED on the motion of Crs. Manchester and O'Brien that the information in respect of items E1 to E4 be noted.

**5. OUTSTANDING DEBTORS**

The balances outstanding as at 2 July 2008 were:

	<b>Arrears</b>	<b>Interest</b>	<b>Current</b>	<b>Total</b>
Access Charges	45,876	7,230	461,937	515,043
Consumption Charges	91,367	24,573	1,408,450	1,524,390
Deferred Headworks			79,800	79,800
<b>TOTAL:</b>	<b>137,243</b>	<b>31,803</b>	<b>1,950,187</b>	<b>2,119,233</b>
Overpayments				<b>107,893</b>

Therefore the breakdown can be summarised as follows:

Total outstanding	\$2,119,233
<i>Less credit balances</i>	-107,893
<i>Less bulk accounts</i>	-101,948
<i>Less deferred h/wks</i>	<u>-79,800</u>
Nett balance	\$1,829,592 owed by customers

The balances outstanding as at 11 August 2008 were:

	<b>Arrears</b>	<b>Interest</b>	<b>Current</b>	<b>Total</b>
Access Charges	32,786	6,691	160,818	200,295
Consumption Charges	64,527	22,424	305,823	392,774
Deferred Headworks			103,100	103,100
<b>TOTAL:</b>	<b>97,313</b>	<b>29,115</b>	<b>569,741</b>	<b>696,169</b>
Overpayments				<b>91,945</b>

The breakdown of the above can be summarised as follows:

Total outstanding	\$696,169
<i>Less credit balances</i>	-91,945
<i>Less bulk accounts</i>	-211,371
<i>Less deferred h/wks</i>	<u>-103,100</u>
Nett balance	\$289,753 owed by customers

**Recommendation**

That the report on outstanding debtors be received and noted.

08/073 RESOLVED on the motion of Crs. O'Brien and Palmer that the report on outstanding debtors be received and noted.

**6. QUARTERLY BUDGET REVIEW TO 30 JUNE**

The Quarterly Budget Review for the period ending 30 June 2008 is attached (yellow pages) for the consideration of Council. These figures are preliminary and may be subject to change with the end of year audit of the financial statements.

The following changes were made to the budget last year:

<b>Adopted operating budget (deficit)</b>	<b>\$-37,010</b>
Revision at 30 September 2007 – deficit	-\$105,369
Revision at 31 December 2007 – deficit	-\$108,590
Revision at 31 March 2008 – deficit	-\$691,945
Revision at 30 June 2008 - deficit	-\$79,472
<b>Revised result – 30 June 2008 – deficit</b>	<b>-\$1,022,386</b>

The changes to the various votes are shown in the variance column. The reasons for major variations since the last review are:

*Revenue*

- User charges – decreased as a result of cooler and wetter weather conditions
- Interest on investments – increased due to interest rates higher than anticipated

Operating income decreased by \$90,305.

*Expenditure*

The final expenditure in most areas was down due to less water sales (hence operating costs) with the cooler wetter last quarter.

Depreciation was higher due to the indexed cost figure used in calculations of asset replacement costs being greater than anticipated (11% for year).

Operating expenditure decreased by \$10,833.

*Changes to Capital*

- Headworks contributions – increased by \$215,483 – end of year follow up of outstanding contributions from bulk councils and developments.

At this stage, even though the deficit appears large there are no major areas of concern as this result was anticipated. The review indicates that Council's level of available working capital at year end is satisfactory.

**Recommendation**

That the quarterly budget review information report as at 30 June 2008 be noted.

08/074 RESOLVED on the motion of Crs. Manchester and Speirs that the quarterly budget review information report as at 30 June 2008 be noted.

**7. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008**

The financial statements are nearing completion and supplementary report on these will be tabled at the Council meeting.

**Recommendation**

That the supplementary report be considered.

08/075 RESOLVED on the motion of Crs. Manchester and Speirs that the supplementary report be considered.

**7. FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2008 – SUPPLEMENTARY REPORT**

The financial statements for the year ended 30 June 2008 have been completed and are now ready for certification and referral to the auditor. Copies of the draft main financial statements are attached:

- Income Statement (Profit & Loss)
- Balance Sheet
- Cash Flow Statement.

The full financial reports will be tabled at the meeting. At this stage it is planned that the statements and the Auditor's report will be presented to the public at the November meeting.

Preliminary results reported to this meeting as per the June review indicated an operating deficit for the year of \$1,022,386. Subject to audit the final accounts show an operating result for the year of \$553,000 deficit (and a net operating result of \$1,022,000 excluding the capital contributions of \$469,000).

The result is in line with the revised budget predictions and the deficit is mainly the result of reduced sales due to imposed water restrictions and the wetter summer period (the projected deficit at the March review was \$689,000 and the major variation to this are reported in the budget review report – item 6).

The auditor will provide a detailed analysis of the financial statements and Council's position in his report following the audit.

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Council's cash and investments position at the end of the year shows the following balances:

Item	\$'000
Opening cash balance 1.7.08	24,365
Decrease in cash held for year	6,684
Cash balance at 30 June 2008	17,681
Plus Investments at 30 June 2008	3,050
	<b>20,731</b>
Consisting of:	
Infrastructure replacement reserve	15,381
Sales fluctuation reserve	1,558
ELE reserve	1,383
Plant reserve	870
Unrestricted cash	1,539
	<b>20,731</b>

Council is required to complete the form that certifies that the statements have been correctly drawn up and are in accordance with Council's books and in Council's opinion are accurate.

### **Recommendation**

1. That Council complete the required certification in accordance with section 413(2) (c) of the Local Government Act and refer the financial statements to the auditor.
2. That Council delegate to the General Manager the authority to finalise the date at which the auditors report and financial statements are to be presented to the public.
3. That Council delegate to the General Manager the authority to "authorise the year end accounts for issue immediately upon receipt of the auditor's reports" subject to there being no material audit changes or audit issues, in accordance with AASB 110.
4. That Council note and adopt the value of all the nominated internal reserves as listed at Note 6(c) (as listed above).

08/076 RESOLVED on the motion of Crs. Manchester and Edwards

1. That Council complete the required certification in accordance with section 413(2) (c) of the Local Government Act and refer the financial statements to the auditor.
2. That Council delegate to the General Manager the authority to finalise the date at which the auditors report and financial statements are to be presented to the public.
3. That Council delegate to the General Manager the authority to "authorise the year end accounts for issue immediately upon receipt of the auditor's reports" subject to there being no material audit changes or audit issues, in accordance with AASB 110.
4. That Council note and adopt the value of all the nominated internal reserves as listed at Note 6(c) (as listed above).

**8. PENSION REBATES** (*Sheree Schmidt*)

Council is required to write-off concessions granted to eligible pensioners for water supplied.

Nineteen hundred and sixteen concession claims require writing-off for the period 1 April 2008 to 30 June 2008.

(Subsidy claimed \$24,826.97 – Claim 139)

**Recommendation**

That Council hereby write-off, as mandatory concessions, the amount of \$45,139.95 in pensioner concession rebates for the period 1 April 2008 to 30 June 2008.

08/077 RESOLVED on the motion of Crs. Edwards and Palmer that Council hereby write-off, as mandatory concessions, the amount of \$45,139.95 in pensioner concession rebates for the period 1 April 2008 to 30 June 2008.

**9. PECUNIARY INTEREST RETURNS**

Section 450A of the Local Government Act requires the tabling of these returns and as all Councillors and designated staff have lodged the required returns they will be tabled at this meeting. The returns are available for public inspection as required.

**Recommendation**

That Council note the report and the tabling of the Disclosure of Interest returns for the year ended 30 June 2008 at the August meeting of Council.

08/078 RESOLVED on the motion of Crs. O'Brien and Speirs that Council note the report and the tabling of the Disclosure of Interest returns for the year ended 30 June 2008 at the August meeting of Council.

**F. WORKS REPORT** *(Nick Nasser)*  
**JUNE 2008**

**1. WATER LOSSES & MAINS REPAIRS**

DATE	TIME		LOCATION	PIPE DIAMETER	AFFECTED CONSUMERS	ESTIMATED LOSS (KI)	REASON
	Off	On					
3/06/08	-	-	Reid Street, Aariah Park	80	-	5	Split pipe
5/06/08	-	-	Jugiong Road, Cootamundra	375	-	5	Joint failure
9/06/08	3.00	5.00	Strathmore Lane, Old Junee	80	-	20	Split pipe
10/06/08	-	-	Jugiong Road, Cootamundra	375	-	5	Joint failure
12/06/08	10.00	12.00	Marravale Lane, Coursing Park	100	-	2	Hole in pipe
12/06/08	2.00	4.00	Trunk Main Coolamon	200	-	100	Split pipe
13/06/08	6.15	11.30	Wood Street, Marrar	100	30	300	Split pipe
16/06/08	9.30	12.30	Main Street, Junee	200	80	50	Joint failure
21/06/08	4.30	9.00	Parkes Street, Temora	100	-	15	Split pipe
22/06/08	1.30	2.30	Trunk Main Matong	100	-	3	Split pipe
24/06/08	-	-	Asquith Street, Temora	100	-	2	Split pipe
24/06/08	-	-	Demondrille	300	-	2	Joint failure
25/06/08	12.00	2.00	Coolamon	250	-	-	Joint failure
26/06/08	-	-	Barmedman	300	-	15	Hole in pipe
26/06/08	-	-	68 Deutcher Street, Temora	100	-	10	Split pipe
28/06/08	1.00	3.00	Eurongilly	80	5	5	Split pipe
28/06/08	-	-	Temora	100	-	10	Joint failure
30/06/08	-	-	Wellman Street, Aariah Park	80	-	15	Split pipe

## **2. COMPLAINTS**

### Water Quality

Dirty Water – Junee

Nil.

Dirty Water – Other

Nil.

Other Problems:

24/06/08      Barellan/Weethalle Line – bad taste and chlorine smell.

A total of 31 service difficulty and fault reports were received for the month of June.

## **3. CONSTRUCTION & MAJOR MAINTENANCE**

The following significant works were undertaken in June 2008:-

- Cleaned the following Reservoirs – Tenandra 1 & 2, Mannings 1 & 2, Dirnaseer 1 & 2, Frampton 1 & 2, Brawlin, Ganmain 1, 2, & 3.
- Cut-in new scour on Ganmain – Coolamon line.
- Replaced 13 DAV's on Matong – Ganmain bore header main.
- Overhaul No. 2 Pump from No.2 Pump Station.
- Complete overhaul on No. 3 bore Oura and re-install base.
- Fit new sealing rubber to Soda Ash tank at Jugiong.
- Overhaul No.2 pump at Talbingo Lane Pump Station.
- Overhaul Lonsdale Lane Pump motor.
- Replaced 2kms of 100mm MPVC from Garoolgan Pump Station to Binya.

**GOLDENFIELDS WATER COUNTY COUNCIL – AUGUST 2008**

**G. WORKS REPORT** *(Nick Nasser)*  
**JULY 2008**

**1. WATER LOSSES & MAINS REPAIRS**

DATE	TIME		LOCATION	PIPE DIAMETER	AFFECTED CONSUMERS	ESTIMATED LOSS (KI)	REASON
	Off	On					
1/07/08	-	-	Bauloora – Stockinbingal	300	-	30	Joint failure
1/07/08	1.00	9.00	Prunevale	300	2	10	Split pipe
1/07/08	12.30	4.30	School Street, West Wyalong	100	1	20	Hole in pipe
1/07/08	10.00	2.00	Stockinbingal – Cootamundra	300	40	30	Joint failure
2/07/08	8.30	12.30	Leeton Road, Barellan	150	-	5	Other
3/07/08	9.00	12.30	Harefield	50	2	1	Split pipe
4/07/08	-	-	Trunk Main West Wyalong	300	-	10	Joint failure
4/07/08	-	-	Temora Road, Cootamundra	375	-	10	Joint failure
4/07/08	-	-	Turners Lane, Cootamundra	375	-	20	Joint failure
7/07/08	-	-	Barmedman Reservoir	150	-	10	Hole in pipe
8/07/08	-	-	Temora Road, Cootamundra	375	-	20	Joint failure
9/07/08	-	-	Olympic Way	100	-	10	Split pipe
11/07/08	7.00	11.30	Bellevue Street, Temora	100	-	10	Split pipe
13/07/08	10.00	1.00	Ariah Park – Barellan	150	-	50	Split pipe
13/07/08	-	-	Mirrool	100	-	10	Hole in pipe
14/07/08	9.00	11.30	Golf Club Road, Temora	100	20	10	Split pipe
14/07/08	8.30	10.30	Golf Club Road, Temora	100	-	10	Split pipe
15/07/08	-	-	Jugiong Road, Cootamundra	375	-	15	Joint failure
15/07/08	-	-	Jugiong Road, Cootamundra	375	-	10	Joint failure
16/07/08	10.30	11.30	Stockinbingal	100	-	15	Split pipe
16/07/08	-	-	Cowangs – Bauloora	375	-	5	Joint failure

**GOLDENFIELDS WATER COUNTY COUNCIL – AUGUST 2008**

16/07/08	-	-	Stockinbinal	100	1	10	Split pipe
16/07/08	-	-	Old Temora Road, Frampton	100	-	2	Split pipe
16/07/08	-	-	Jugiong Road, Cootamundra	375	-	5	Joint failure
17/07/08	-	-	Turners Lane, Cootamundra	375	-	4	Joint failure
18/07/08	-	-	Jugiong - Cowangs	375	-	10	Joint failure
22/07/08	-	-	Deutcher Street, Temora	100	-	2	Split pipe
23/07/08	-	-	Naradhan Road, Gubbatta	100	-	25	Split pipe
23/07/08	-	-	Cootamundra	375	-	2	Joint failure
23/07/08	-	-	Futter Park	375	-	5	Joint failure
25/07/08	-	-	Temora Road, Cootamundra	375	-	20	Hole in pipe
25/07/08	-	-	Junee	100	-	5	Split pipe
25/07/08	3.45	6.45	Dumaresq Street, West Wyalong	-	20	10	Split pipe
25/07/08	-	-	Cowangs - Bauloora	375	-	10	Hole in pipe
27/07/08	-	-	Temora Road, Cootamundra	375	-	10	Hole in pipe
28/07/08	-	-	Trunk Main Barmedman	300	-	50	Joint failure
28/07/08	-	-	Pinkerton Lane, Cootamundra	375	-	5	Joint failure
28/07/08	-	-	Stockinbinal Road, Cootamundra	375	-	10	Hole in pipe
28/07/08	-	-	Wyalong Line	300	-	50	Joint failure
30/07/08	-	-	Hoskins Street, Temora	150	-	10	Hole in pipe
30/07/08	-	-	Jugiong Road, Cootamundra	375	-	10	Joint failure
31/07/08	9.00	1.00	Ardlethan Road, Coolamon	150	-	50	Joint failure
31/07/08	-	-	Suttons Lane, Cootamundra	-	-	10	Split pipe

## **2. COMPLAINTS**

### Water Quality

Dirty Water – Junee

10/07/08      5 William Street.

Dirty Water – Other

Nil.

Other Problems:

28/07/08      Junee Road, Marrar – white cloudy water.

A total of 35 service difficulty and fault reports were received for the month of July.

## **3. CONSTRUCTION & MAJOR MAINTENANCE**

The following significant works were undertaken in July 2008:-

- Replaced 6 DAV's on Tenandra Line.
- Removed trees along old main Prunevale Road.
- Cleaned Illabo Reservoirs.
- Commenced fitting RPZ's to Council Standpipes.
- Replaced Soda Ash pump at Jugiong Water Treatment Plant.
- Installed No.2 pump and motor at Prunevale Pump Station following overhaul.
- Dismantled Junee Reefs booster pump for overhaul.
- No.1 Pump and motor at Daylight Pump Station removed for repair.
- Replaced 1.2kms of 150mm MPVC and 0.8kms of 100mm MPVC from Garoolgan off-take to Garoolgan Pump Station.

### **Recommendation**

That the information contained in items F1-3 and G1-3 be noted.

08/079 RESOLVED on the motion of Crs. McGregor and Speirs that the information contained in items F1-3 and G1-3 be noted.

**H. OTHER REPORTS**

**1. CAPITAL WORKS PROGRESS REPORT** *(Paul Wearne)*

Attached for the information of Councillors are the following detailed reports:-

- Capital Works Progress Reports as at 30 June 2008;
- Revised Capital Works Program for 2008/09 (including recommended carryover amounts); and
- Capital Works Progress Report as at 31 July 2008.

During the 2007/08 financial year, of 37 budgeted projects, 12 projects were completed, 12 projects were in excess of 90% completed and 2 projects were more than 50% completed. Council's adopted budget for the year was \$14,908,986. In achieving the above result funds of \$11,740,086 (or 78.74% of budget) were expended leaving unexpended fund of \$3,168,900.

A review of incomplete projects has been undertaken identifying \$1,801,328 required from those unexpended funds to be carried forward to this financial year. Also revision of original estimates has been undertaken identifying an additional \$161,190 to allow completion. It is proposed that these funds be made available from those unexpended at year end. Subject to the approval of Council, this would result in \$1,206,382 being returned to the Infrastructure Replacement Reserve. The table below summarises these movements.

	\$
2007/08 Adopted Budget	14,908,986
<u>Less</u> Expenditure incurred during year	<u>11,740,086</u>
	3,168,900
<u>Less</u> Carryover funds required to complete	1,801,328
<u>Less</u> Additional funds required to complete	<u>161,190</u>
Balance of unexpended funds to return to Reserve	1,206,382

If the above movements are acceptable to Council then this would increase the Capital Works Program for 2008/09 by \$1,962,518 from that adopted in the 2008/09 Management Plan resulting in a revised budget of \$12,300,307. Again the table below summarises these movements.

	\$
Capital Works Program as per adopted 2008/09 Management Plan	10,337,789
<u>Plus</u> Carryover funds from 2007/08	1,962,518
Revised Capital Works Program for 2008/09	12,300,307

The Capital Works Progress Report as at 31 July 2008 reflects these changes and reports the year to date expenditure for July 2008.

**Recommendation**

1. That the information be noted.
2. That Council authorise the carryover of \$1,962,518 of unexpended funds as at 30 June 2008 to the 2008/09 financial year to allow completion of the identified projects.
3. That the Revised Capital Works Program for 2008/09 totalling \$12,300,307 be adopted in principal prior to formal adoption as part of the next Quarterly Budget Review.

08/080 RESOLVED on the motion of Crs. O’Brien and Manchester

1. That the information be noted.
2. That Council authorise the carryover of \$1,962,518 of unexpended funds as at 30 June 2008 to the 2008/09 financial year to allow completion of the identified projects.
3. That the Revised Capital Works Program for 2008/09 totalling \$12,300,307 be adopted in principal prior to formal adoption as part of the next Quarterly Budget Review.

**2. CRITICAL WATER AVAILABILITY FOR 2007-08 AND 2008-09**  
(Paul Wearne)

Included in the Business Paper are the water production graphs for the five sources and the three bulk councils to the end of June 2008 and July 2008. Tables 1 and 2 below provide more detail.

**Table 1 – 1 July 2007 to 30 June 2008**

<b>Source</b>	<b>YTD Consumption</b>	<b>YTD Maximum Allocation</b>	<b>Percentage</b>
Jugiong	3,727	5,590	66.67%
Oura	3,861	6,000	64.35%
Mt Arthur	472	762	61.94%
Mt Daylight	245	295	83.05%
Hylands Bridge	143	165	86.66%
<b>Total All Sources</b>	<b>8,448</b>	<b>12,812</b>	<b>65.93%</b>
Cootamundra	723	1,561	46.31%
Harden *	443	1,213	36.52%
Young	1,350	2,076	65.02%

**NB:**

*YTD Consumption for Harden does not include Harden Minor Consumers.*

*Hylands Bridge Allocation does not include additional allocation from Narrandera Shire Council.*

**GOLDENFIELDS WATER COUNTY COUNCIL – AUGUST 2008**

**Table 2 – 1 July 2008 to 31 July 2008**

<b>Source</b>	<b>YTD Consumption</b>	<b>YTD Maximum Allocation</b>	<b>Revised YTD Maximum Allocation</b>	<b>Percentage of Revised Allocation</b>
Jugiong	269	313	156.50	171.88%
Oura	236	308	308.00	76.62%
Mt Arthur	30	27	27.00	111.11%
Mt Daylight	13	24	24.00	54.16%
Hylands Bridge	3	4	2.00	150.00%
<b>Total All Sources</b>	<b>551</b>	<b>676</b>	<b>517.50</b>	<b>106.47%</b>
Cootamundra	49	82	41.00	119.51%
Harden *	30	61	30.50	98.36%
Young	101	114	57.00	177.19%

**NB:**

*YTD Consumption for Harden does not include Harden Minor Consumers.*

Since January of this year Council has had Level A restrictions in place across its area with the exception of the Mt Daylight system where Level 4 restrictions are still in place. Level A restrictions effectively prohibit the use of fixed hoses and sprinkler systems on garden areas between 9.00am and 5.00pm whilst Level 4 allows the use of hand held hoses only for 1 hour per day for garden watering.

As pre-empted at the June meeting, the NSW Government announced on 1 July 2008 that the allocation to Town Water Supply authorities for surface water extractions from the Murrumbidgee Valley during the 2008/09 water year would commence on that day at fifty (50) percent of entitlement. Attached for the information of Council is the latest communiqué from the Department of Water and Energy (DWE) dated 15 August 2008.

The reduction in allocation has been factored into Table 2 above. This announcement affects the Jugiong and Hylands Bridge systems specifically and if the current year to date trend continues then these two systems will significantly overrun their individual allocations.

Last year saw a similar start to the year and as it progressed, these allocations were increased. With water still being such a ‘hot topic’ current indications are that this may not be the case this year unless there are substantial inflows into the dams. Table 3 below shows a comparison of last year and this year.

**Table 3**

<b>Source</b>	<b>2007/08 YTD Consumption</b>	<b>2008/09 YTD Consumption</b>
Jugiong	274	269
Oura	203	236
Mt Arthur	17	30
Mt Daylight	14	13
Hylands Bridge	4	3
<b>Total All Sources</b>	<b>512</b>	<b>551</b>
Cootamundra	42	49
Harden *	26	30
Young	81	101

**NB:**

*YTD Consumption for Harden does not include Harden Minor Consumers.*

From Table 2 above it is evident that while individual schemes are operating at varying degrees above or below their respective YTD allocations the overall system usage is just slightly above the maximum (106.47%). Taking this into consideration, it is suggested that the current level of restriction remain in place for now and that consumption over the coming weeks be closely monitored. Should circumstances change either by government directive or through climatic influences, then the Chairman and General Manager under delegated authority can reassess the situation and adjust the level of restriction as required.

**Recommendation**

That the current level of restriction remains in place until further notice and that consumption over the coming weeks be closely monitored. Should circumstances change either by government directive or through climatic influences, then the Chairman and General Manager under delegated authority can reassess the situation and adjust the level of restriction as required.

08/081 RESOLVED on the motion of Crs. Manchester and Edwards that the Supplementary Report be considered.

**2. CRITICAL WATER AVAILABILITY FOR 2008-09 - SUPPLEMENTARY REPORT** (*Paul Wearne*)

Since the preparation of the Business Paper the consumption figures to 28 August have become available. These are produced in the table below.

**Consumption – 1 July 2008 to 28 August 2008**

Source	YTD Consumption (To 28/8/08)	YTD Maximum Allocation (To 31/8/08)	Revised YTD Maximum Allocation (To 31/8/08)	Percentage of Revised Allocation
Jugiong	496.550	643.000	321.500	154.45%
Oura	425.149	627.000	627.000	67.81%
Mt Arthur	48.004	62.000	62.000	77.43%
Mt Daylight	24.926	38.000	38.000	65.59%
Hylands Bridge	5.584	9.000	4.500	124.09%
<b>Total All Sources</b>	<b>1000.213</b>	<b>1379.000</b>	<b>1053.000</b>	<b>94.99%</b>
Cootamundra	88.963	172.000	86.000	103.45%
Harden	53.278	128.000	64.000	83.25%
Young	184.866	242.000	121.000	152.78%

Surface Water
Ground Water

**NB:**

*YTD Consumption for Harden does not include Harden Minor Consumers*

It is evident that surface water extractions are in excess of the revised pro-rata allocation and is likely to continue to be so as the weather warms up. The Department of Water and Energy (DWE) whilst not (yet) dictating the level of restriction that should be imposed have strongly suggested that town water supply authorities “remain conservative with all water use”. Council should be aware that fines of up to \$500,000 can be imposed on water users who exceed their allocation.

From a ‘clinical’ viewpoint the necessary action would be to impose restrictions in the order of “Level 4” on surface water users and maintain the status quo (Level A) for groundwater users. Whilst this may not have an immediate impact on consumption during the cooler weather, it would ‘flag’ to customers the need to be conservative with water use. This action should be seen by DWE as complying with its suggested strategy. It would also lessen the impact on council’s revenue stream as we could continue to sell water in those schemes that are within allocations. As the weather warms and if it continues to stay dry, there may be a need to increase the level of restriction for groundwater users.

Alternatively, the option of continuing with the current (generally) unilateral restrictions across the whole system so that consumption is kept within the total revised allocation for all schemes can be maintained. This action promotes a whole of system approach and the interrelationship between surface and groundwater within the Murrumbidgee Valley. Again, as the weather warms and if it continues to stay dry, there may be a need to increase the level of restriction for all users.

**Recommendation**

1. That in accordance with Council's adopted levels of restriction, the following restrictions be imposed on customers effective from Friday 5 September 2008 until further notice:-

Customers connected to the Jugiong, Highlands' Bridge and Mt Daylight systems - Level 3

Customers connected to the Oura and Mt Arthur systems – Level B

2. That Cootamundra, Harden and Young Shire Councils be contacted prior to the implementation of these restrictions suggesting that they consider imposing similar levels of restriction in their respective areas.

08/082 RESOLVED on the motion of Crs. Manchester and Edwards that the current level of restriction remains in place until further notice and that consumption over the coming weeks be closely monitored. Should circumstances change either by government directive or through climatic influences, then the Chairman and General Manager under delegated authority can reassess the situation and adjust the level of restriction as required.

**3. ALTERNATIVE PRICING STRUCTURE (Paul Wearne)**

Pursuant to Minute 08/062 of the June 2008 meeting, the General Manager has had preliminary discussions with some organisations that would be likely to quote to undertake a review of Council's pricing structure. In the opinion of those spoken to the pricing structure is an integral part of Council's Strategic Business Plan and Financial Plan.

Given that Council has resolved (Minute 08/040) "*that review of Council's Strategic Business Plan be deferred for the consideration of the new Council*" it is suggested that the review of the pricing structure be included in such review.

**Recommendation**

That the review of Council's Pricing Structure be included in the terms of reference for the review of Council's Strategic Business Plan.

08/083 RESOLVED on the motion of Crs. Manchester and Speirs that the review of Council's Pricing Structure be included in the terms of reference for the review of Council's Strategic Business Plan.

**4. DEPARTMENT OF LANDS LICENSING AGREEMENT FOR CROWN LAND COMMUNICATION SITES (Paul Wearne)**

Council has received correspondence from NSW Department of Lands relating to licensing and rental agreements that apply to Crown Land Communication Sites in New South Wales. This is the result of a review undertaken by the Independent Pricing and Regulatory Tribunal (IPART) on behalf of the Government's land management agencies.

IPART has recommended a new form of licensing agreement which is all encompassing thus alleviating the need for duplication and is to be supplemented with Site Appendices detailing each specific site. To facilitate this change authorisation is required from Council for the affixing of the Common Seal to the relevant documents.

**Recommendation**

That authorisation be given for the fixing of the Common Seal of Goldenfields Water County Council to documents relating to Crown Land Communication Sites and for the Chairman and General Manager to sign the document on behalf of Council.

08/084 RESOLVED on the motion of Crs. Manchester and Palmer that authorisation be given for the fixing of the Common Seal of Goldenfields Water County Council to documents relating to Crown Land Communication Sites and for the Chairman and General Manager to sign the document on behalf of Council.

**5. FUTURE COUNCIL MEETINGS** *(Paul Wearne)*

As this meeting is the last scheduled meeting of the current Council prior to the Local Government Elections, it is requested that Council now set a date for the first meeting of the new Council. With the elections being on Saturday 13 September it would seem impractical to endeavour to hold a meeting during that month given that our constituent council will have to meet to determine who the representative from their respective areas will be to Goldenfields. It is therefore suggested that the next meeting of Goldenfields Water County Council be scheduled for Thursday 23 October 2008.

**Recommendation**

That the next Ordinary Meeting of Council be held in Temora on Thursday 23 October 2008 commencing at 1.00pm.

08/085 RESOLVED on the motion of Crs. McGregor and Speirs that the next Ordinary Meeting of Council be held in Temora on Thursday 23 October 2008 commencing at 1.00pm.

**I. QUESTIONS AND STATEMENTS**

Each Councillor thanked their fellow Councillors and Goldenfields Water staff for their contribution to the board, all the very best for the future and good luck to those who have nominated for re-election.

**J. CLOSED SESSION – 2.47PM** (*pink pages*)

08/086 RESOLVED on the motion of Crs. Palmer and O'Brien that Council meet in Closed Session.

1. **TENDER FOR HIRE OF PLANT AND EQUIPMENT** (*Paul Wearne*)

*This item is classified CONFIDENTIAL under section 10A(2)(c) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

*(c) Information that would, if disclosed confer a commercial advantage on a person with whom the Council is conducting (or proposed to conduct) business.*

08/087 RESOLVED on the motion of Crs. Palmer and Speirs that subject to Council's inspection of equipment, all eight (8) tenders and all equipment offered, as detailed in Attachment B be accepted for a period of two (2) years to the end of June 2010.

**OPEN SESSION – 2.49PM**

08/088 RESOLVED on the motion of Crs. Palmer and O'Brien that the Council revert back to Open Session and that the resolutions made in Closed Session be made public.

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There being no further business requiring the attention of the Council, the Meeting closed at 2.49pm.

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