

## BULLETIN

June 2015

### A report of matters covered at Southern Rural Water's 3 June 2015 Board meeting and associated events

#### The meeting was held in Melbourne

**Present:** Mr Terry Burgi, Chairman  
Ms Andrea Killeen, Deputy Chairperson  
Ms Gabrielle Bell, Director  
Mr Matthew Coleman, Director  
Ms Naomi Pye, Director  
Mr Terry Swingler, Director  
Mr Clinton Rodda, Managing Director  
Mr Brian Carr, Corporation Secretary

**Apology:** Mr Russell Napper, on leave approved by the Board at its December 2014 meeting.

#### Events held in association with SRW's June 2015 Board meeting

- A meeting of the Board's Remuneration & Corporate Governance Committee.
- A meeting of the Board's Organisational Culture Committee.
- A dinner meeting with the Essential Services Commission (Mr David Heeps, CEO and Mr Marcus Cruddin, Director Water) and the Department of Treasury and Finance (Mr Geoff Tabe, Assistant Director, Shareholder Advisory Services). Our Managing Director provided a detailed presentation on SRW's strategy and in discussion ensuing ESC and DTF insights were most helpful in aligning SRW's planning with government directions.



L- R: David Heeps, Geoff Tabe, Clinton Rodda,  
Stuart Wrigglesworth, Terry Burgi, Marcus Cruddin

- An inspection tour of the Wyndham Harbour development at Werribee South, a site which has involved SRW in the implementation of a Groundwater Protection Management Plan to control groundwater quality and quantity impacts, in particular potential impacts from harbour dredging.

Mr Vince Lopardi (SRW's Manager Water Resources & Catchment Planning) explained SRW's involvement with the project, following which Ms Sonia Miller (Wyndham Harbour), Mr Nick Eddy (BMD contractors) and Mr Greg Hoxley (Jacobs consulting) provided a briefing on the project and led a guided tour over parts of the development site.



Vince Lopardi explains SRW's involvement with the Wyndham Harbour development project



At works site, Wyndham Harbour

### Werribee Catchment Integrated Water Management

The Senior Engineer Western Irrigation Business made a presentation on this project. He provided an overview of the project, including advice on the study to identify opportunities, and advised on the role of each of the participating parties, the key outcomes to date and shortlisted project opportunities for SRW. A point of note was the pressure on areas such as Wyndham Shire by exceptionally high population growth.

### Sale of Unallocated Water

This matter was earlier addressed by the Board at its March 2015 meeting.

The Board considered the further development of the initiative since the March discussion, noting further actions proposed, indicative costs and revenue, project risks, project delivery arrangements, and the timelines involved.

Following consultation with the Southern Groundwater & Rivers Forum it is intended that SRW seek approval from the Minister to proceed with the sale.

### **MID Allocation Trading**

This matter was broadly discussed at the February 2015 Board meeting. The Board considered the further development of the policy on allocation trading, with particular emphasis on its probity elements. The Board also considered the proposed 2015/16 allocation trading strategy. Management will consult with the Macalister Customer Consultative Committee on this matter at the CCC's next meeting.

### **Dam Safety Report**

SRW is required under its Statement of Obligations to submit an annual Dam Safety Report to the Department of Environment, Land, Water and Planning (DELWP) by 30 June each year.

SRW's 2015 Dam Safety Report was considered by the Board's Asset Governance Committee at its May 2015 meeting, and approved at this Board meeting. It will now be forwarded to DELWP.

### **Managing Director's 2015/16 Performance Plan**

The Board approved the Managing Director's 2015/16 performance plan, ensuring that the plan is in place prior to commencement of the new financial year.

### **Risk Presentation – Public Safety**

SRW's Risk Management Policy requires that a risk presentation schedule of corporate risks be set by the Board on an annual basis. As part of that process a presentation was made to this Board meeting on public safety.

The Manager Water Supply West made the presentation on behalf of the Manager Water Supply East and himself. The Board noted the actions implemented to minimise risks, including advice provided by Lifesaving Victoria; it nevertheless noted the residual risk, which remains rated as high.

### **Annual Risk Review**

The annual risk review provides an opportunity for the Board to consider the current risk profile of the Corporation, and to reflect on the level of risk currently tolerated by the Corporation.

The review was earlier considered by the Board's Audit & Risk Policy Committee at its May 2015 meeting.

In noting the risk review report the Board also agreed that SRW's risk appetite statement should remain unchanged.

### **Insurance renewal**

The Board noted actions underway to complete SRW's 2015/16 insurance renewal.

### **Fees and Tariffs for 2015/16**

The Board approved the schedule of fees and tariffs for the coming year; these will now be publicly advertised.

### **Management Report**

Several points of the Management Report were addressed:

- Southern Cowwarr balancing storage.
- Lindenow Valley water security project.
- BOOST 2 project.
- Toolern stormwater harvesting.
- Boating at Blue Rock Lake.
- Merri River injury claim.
- SRW management leadership development.
- Maffra office accommodation.

### **Further Reports**

A number of additional reports were noted/approved by the Board:

- Monthly financial statements.
- Business performance dashboard.
- JBD water share project.
- MID2030 Phase 1A reserve projects.
- Review of water pricing approach.
- Customer consultative committee reports.
- Board committee reports.
- Chairman's and directors' reports.
- Compliance, VCAT and major planning matters.
- High profile licence applications.
- Board administration, FOI, documents sealed and Board correspondence.
- Ownership and control of Board papers.
- Memorandum of Understanding update.
- May 2015 Board meeting – reflections on interactions and inspection tour.
- Committee charters - Remuneration & Corporate Governance Committee; Organisational Culture Committee.

- Financial Governance Policy.
- Internal audit services.
- Annual borrowing approvals.
- Board Agenda Policy.

### **Next Meeting**

The next meeting of the Board will be held at Warrnambool on Wednesday 5 August 2015.

**Clinton Rodda**  
Managing Director

**Brian Carr**  
Corporation Secretary  
9 June 2015  
Email: [brianc@srw.com.au](mailto:brianc@srw.com.au)