

BULLETIN

March 2015

A report of matters covered at Southern Rural Water's 5 March 2015 Board meeting and associated events

The meeting was held at Maffra

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

Apology: Nil

Events held in association with SRW's March 2015 Board meeting

- A meeting of the Board's Remuneration & Corporate Governance Committee.
- A meeting of the Board's Organisation Culture Committee.
- An inspection tour, visiting a site affected by saline groundwater and discussing the issues involved with the property owner, Mr Colin Snell.
- A dinner meeting with the Macalister Customer Consultative Committee and the Wellington Community Salinity Committee at which presentations were made by the Managing Director, Clinton Rodda (SRW strategy update) and Operations Supervisor MID, Gavin Prior (MID vision). Long-serving Wellington Community Salinity Committee member, Peter Stewart, was presented with a Certificate of Appreciation to acknowledge his substantial contributions to that committee and the many other water and



L-R: SRW Chairman Terry Burgi, irrigation customer Colin Snell, Environmental Advisor Becky Van Baalen

environmental organisations in the region over many years.

- Signing of SRW's Occupational Health and Safety Policy by the Chairman, Managing Director, and the Health, Safety and Environment Committee Chairperson.



SRW Board - L-R: Russell Napper, Terry Swingler, Naomi Pye, Brian Carr (Corporation Secretary), Terry Burgi, Andrea Killeen, Gabrielle Bell, Clinton Rodda, Matthew Coleman

MID2030 Phase 1B – Southern-Tinamba Supply Zone Modernisation

The Board discussed the business case for the Southern-Tinamba Supply Zone Modernisation project. With some suggested inclusions the Board approved the document for submission to the state government.

Sales of Unallocated Groundwater and Unregulated Surfacewater

Both the Western Region Sustainable Water Strategy and Gippsland Region Sustainable Water Strategy supported a policy on the sale of new groundwater entitlements and unregulated surfacewater entitlements. The Department of Environment, Land, Water & Planning and SRW have been developing a policy on the basis that new allocations could be sold in all areas.

Management will refine the documentation and bring an updated proposal back to the Board for approval. The matter will be discussed with the Southern Groundwater & Rivers Forum.

Recycled Water Sales

The Board gave its in-principle support to a proposal to establish a Recycled Water Sales Policy for the Werribee Irrigation District, subject to management consulting with the Werribee Bacchus March Customer Consultative Committee and the Essential Services Commission.



Chairman Terry Burgi presenting Peter Stewart with a well-deserved Certificate of Appreciation

2015/16 Corporate Plan

The Board addressed a number of issues integral to the development of SRW's 2015/16 Corporate Plan, in particular those relating to:

- Resilience balances, reflecting better than budget results in 2013/14, an expected surplus for 2014/15, and budgeting for lower operating and capital costs; and
- Conservative budgeting for strategic outcomes.



L-R: SRW's Occupational Health and Safety Policy signed jointly by the Chairman Terry Burgi, Health, Safety and Environment Committee Chairperson David Thorpe, and Managing Director Clinton Rodda

Management will consult with SRW's customer consultative committees on 2015/16 pricing, and continue with the development of the Corporate Plan, the directions for which were confirmed at this Board meeting. A video/teleconference will be held on Friday 17 April 2015 to review progress at that point; the final draft of the Corporate Plan will be referred to the May 2015 Board meeting for approval.

Revenue Strategy

A Board workshop to initiate new revenue ideas was held in conjunction with the December 2014 Board meeting. Since then the large number of identified opportunities has been refined to 16; the Board considered the feasibility of each at this meeting.

Management will further refine the strategy and present it to the May 2015 Board meeting.

Corporate Risk – Adverse Climate Impacts

At its February 2015 meeting the Board approved a schedule of risk presentations to be listed for Board meetings through to and including December 2015. The first of the presentations, this on adverse climate impacts, was made by the General Manager Technical Services at this Board meeting.

Board Performance Improvement Plan

A number of proposed actions were identified in SRW's 2014 Board performance review. These are now included in the 2015 Board performance improvement plan, which was approved at this Board meeting.

The plan will be referred to the June and December 2015 Board meetings to note progress achieved and to monitor completion of remaining action items.

Managing Director Performance Plan Review

The Board reviewed the Managing Director's performance, scheduled for shortly after the mid-point of the financial year. The review report was also considered at the meeting of the Board's Remuneration & Corporate Governance Committee, held on the day prior.

Wellington Community Salinity Committee Appointment

Mr Ronald Hibma was appointed as a member to the Wellington Community Salinity Committee.

Audit & Risk Policy Committee

Director Ms Naomi Pye was appointed as a member to the Board's Audit & Risk Policy Committee.

Management Report

Several points of the Management Report were addressed:

- Southern Cowwarr balancing storage.
- MID2030 Phase 1A reserve projects.
- Meerreeng Wanga Aboriginal Inclusion Plan 2014-2019.
- Boating restrictions at Blue Rock Lake.

Further Reports

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

- Monthly financial statements.
- Business performance dashboard.
- MID water auction, February 2015.
- Customer consultative committee reports.
- Customer consultative committee memberships – 2015 appointment plans.
- Board committee reports.
- Chairman's and directors' reports.
- Legislative compliance register.
- Board delegations.
- Compliance, VCAT and major planning matters.
- High profile licence applications.
- Board administration, FOI, documents sealed and Board correspondence.

Next Meeting

The next meeting of the Board will be held at Warrnambool on Wednesday 6 May 2015.

Clinton Rodda
Managing Director

Brian Carr
Corporation Secretary
10 March 2015
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