

# BOARD BULLETIN

Summary of meeting 296 held in Bairnsdale on 6 March 2018



Boosting Southern Victoria's food, fibre and regional productivity through outstanding rural water management.

## Present:

Ms Diane James AM	Chairman
Mrs Kate Calvert	Deputy Chairman
Ms Naomi Cleary	Director
Mr Angus Hume	Director
Ms Peta Maddy	Director
Mr Michael Malouf	Director
Mrs Naomi Pye	Director
Mr Terry Swingler	Director
Mr Clinton Rodda	Managing Director



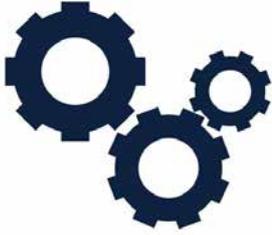
## In attendance:

Mr Craig Parker	General Manager Customer Service
Ms Bernadine Phelan	Communications and Engagement Manager
Mr Stuart Wrigglesworth	Chief Financial Officer and Corporation Secretary



The Chairman thanked directors for travelling to Bairnsdale for the board meeting, stakeholder meeting and board tour of the Lindenow Valley.

## OUR OUTCOMES



The Chairman and Managing Director explained that the board's visit to Bairnsdale and Lindenow provided an opportunity for the board to better understand the importance of water security and supply to the prosperity of the East Gippsland region. Discussions with irrigators and the broader community will reinforce the potential for SRW's activities to support the region and in turn, fulfil our strategic vision of 'Boosting Southern Victoria's food, fibre and regional productivity through outstanding rural water management'.



*RIGHT: Ross Ingram (centre) of Bonaccord Ingram Co. with SRW board members and staff during a tour of local businesses.*

Throughout the board meeting and visit to Bairnsdale, the board considered some strategic matters, including:

### Great Service

#### *Lindenow Valley Water Security*

A focus of the board's visit to East Gippsland was to understand the water needs associated with agriculture in the Lindenow Valley and the potential for SRW to improve services to these customers.

### More Water in Production

#### *Macalister Irrigation water share auction*

The Chairman advised the board that she travelled to Maffra to attend the recent water share auction. She explained that SRW exceeded our sales target by selling 300ML of high reliability water shares at an equivalent price to prior years. This was particularly pleasing as customers have recently received additional water entitlements via the recent 5% water share distribution from the MID2030 water savings. The successful auction demonstrated strong demand for water entitlements in the MID.

#### *Merrimu unallocated water*

The board supported management's ongoing discussion with State government and customers regarding the possible purchase of unallocated water inflows and storage at Merrimu reservoir.

## OUR STRATEGIC FOCUS



### New Revenue

#### *Sale of native vegetation offsets*

SRW has established native vegetation offset sites adjacent to Lake Glenmaggie on land surplus to operational requirements.

The Managing Director was pleased to advise the board that SRW had recently provided a non-binding offer to sell these offsets. The board approved management to conclude the sale should the offer be accepted. The Managing Director explained that New Revenue opportunities like this can be used to strengthen SRW's financial position by the repayment of debt or as a contribution to modernisation projects across the business.

## ENABLING OUR STRATEGY

### High Performance Culture

#### *Enterprise Agreement*

The Managing Director was pleased to inform the board that in-principle agreement has been achieved by the bargaining team for a new four year enterprise agreement.

Once endorsed by the State government, the agreement will be subject to a vote of staff. Management expect this to occur prior to the next board meeting in May 2018.

#### *Board performance review*

Directors recently undertook an externally facilitated performance review. The review demonstrated effective performance by the board and identified a number of improvement opportunities designed to reinforce high performance by the board and throughout SRW. As required by the Statement of Obligations issued by the State government, the board authorised the Chairman to report these results to the Minister for Water.

### Community Engagement

#### *Discussion with Executive – Communication and Engagement Manager*

Ms Bernadine Phelan, Communication and Engagement Manager, briefly outlined to the board her background and position at SRW. Ms Phelan described the relatively small team of staff that she leads, and the full range of communication and engagement functions that her team manages.

Ms Phelan explained that a significant part of her team's work is to enable effective community engagement. Since joining SRW 12 months ago, Ms Phelan has been able to build upon these publications and is pleased with the breadth of communication material provided by SRW to our customers and stakeholders.

Ms Phelan also emphasised the importance of internal communications to recognise success delivered by staff. As an example of this work, Ms Phelan shared some of the promotional material developed for the upcoming International Women's Day celebrations planned at SRW.



*RIGHT: Board member Naomi Cleary and Chairman Diane James AM visiting Lindenow Valley.*

#### *Stakeholder meeting*

The board hosted a meeting with local customers and stakeholders in Bairnsdale. Together with several vegetable growers from the Lindenow Valley, representatives from the Gunaikurnai Land and Waters Corporation, Committee for Gippsland, East Gippsland Water, Regional Development Victoria and East Gippsland Catchment Management Authority discussed matters of importance for East Gippsland.

#### *Southern Rural Water Board of Directors tours the Lindenow Valley*

SRW staff escorted the board on a tour of the Lindenow Valley. The tour involved meeting customers to understand their operations better. The tour was particularly insightful regarding the sophistication of these businesses, and the opportunities to the region from improved water security.



*ABOVE: A view of vegetable growing areas in the picturesque Lindenow Valley.*



## OTHER REPORTS CONSIDERED BY THE BOARD

### Board Decisions

- Approved revision of the 'Damage to aquifer' risk description to 'Environmental damage due to over-extraction from an aquifer' and noted the residual risk rating of moderate.
- Approved the 2016-17 regulatory accounting template.
- Approved updates to the:
  - Water Level Management in Lake Glenmaggie policy
  - Governance policy.

The following reports were noted by the board:

- Management report
- 2018-19 Corporate Plan update
- Werribee Bacchus Marsh Customer Consultative Committee
- Board committee updates
- Chairman's and Directors' activities
- Annual work plan.



### NEXT MEETING

The next meeting of the board will be held on 1 May 2018 at Geelong.

