

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

The meeting commenced at 10.02am

PRESENT

Cr B Callow, Cr A McAlister, Cr L McGlynn, Cr A White, Cr G Sinclair, Cr M Stadtmiller.

ALSO IN ATTENDANCE

Mr A Drenovski (General Manager), Mr G Veneris (Production and Services Manager), Mr T Goodyer (Operations Manager), Mrs M Carr (Corporate Services Manager), Miss S Jung (Engineering Manager), Miss A Burnett (Executive Assistant).

1. LEAVE OF ABSENCE/APOLOGIES

BOARD RESOLUTION

24/005 RESOLVED on the motion of Crs Collow and White that a leave of absence be granted to Cr J Piper and Cr K Morris.

2. ATTENDANCE OF COUNCILLORS BY AUDIO VISUAL LINK

Nil

3. WEBCASTING OF COUNCIL MEETINGS

Attendees of this meeting are reminded that:

- a) The meeting is being recorded and made publicly available on Council's website, and
- b) Persons attending the meeting should refrain from making any defamatory statements.

4. STATEMENT OF ETHICAL OBLIGATIONS

Councillors are reminded of the oath or affirmation of office they have taken under section 233A of the Act.

The governing body of a county council is responsible for managing the affairs of the county council. Each Councillor as a member of the governing body has a responsibility to make considered and well-informed decisions to ensure that the exercise of the functions of Goldenfields Water are performed to benefit the whole of the area of operations of Goldenfields Water.

In addition Councillors are reminded of their obligations under council's code of conduct to disclose and appropriately manage conflicts of interest.

5. ACKNOWLEDGEMENT OF COUNTRY

I would like to acknowledge the Wiradjuri people who are the Traditional Custodians of the Land. I would also like to pay respect to their people both past and present and extend that respect to other Aboriginal Australians who are present.

6. PRESENTATIONS

Nil

7. DECLARATION OF PECUNIARY INTERESTS

Nil

8. DECLARATION OF NON PECUNIARY INTERESTS

Nil

9. CONFIRMATION OF MINUTES OF MEETINGS HELD ON 7 SEPTEMBER 2023

BOARD RESOLUTION

24/006 RESOLVED on the motion of Crs McAlister and Sinclair that the minutes of the meetings held on the 14 December 2023, 19 December 2023 and 22 January 2024, having been circulated and read by members be confirmed.

10. BUSINESS ARISING FROM MINUTES

Nil

11. CORRESPONDENCE

Nil

12. MATTERS OF URGENCY

BOARD RESOLUTION

24/007 RESOLVED on the motion of Crs McGlynn and White that Board accept the late report Water Billing, Developments & Debt Recovery from the Corporate Services Manager.

13. NOTICES OF MOTION / RESCISSION MOTIONS

Nil

14. CHAIRPERSON'S MINUTE

Nil

15. PUBLIC PARTICIPATION – CONFIDENTIAL SESSION – 10.04am

In accordance with the Local Government Act 1993 and the Local Government (General) Regulations 2021, in the opinion of the General Manager the following business is of a kind as referred to in section 10A(2) of the Act and should be dealt with in part of the meeting closed to the media and the public.

BOARD RESOLUTION

24/008 RESOLVED on the motion of Crs McGlynn and McAlister that Council move into CONFIDENTIAL SESSION.

16. MATTERS TO BE SUBMITTED TO CONFIDENTIAL SESSION

16.1. MATTERS SUBMITTED BY CORPORATE SERVICES MANAGER

16.1.1. WATER BILLING, DEVELOPMENTS & DEBT RECOVERY

BOARD RESOLUTION

24/009 RESOLVED on the motion of Crs Stadtmiller and McGlynn that Council:

- a) Proceed to recoup costs of current usage and ownership.
- b) Approve a payment plan for property owners up to a period of 4 years.
- c) Approve a discounted rate of 20% to all affected accounts.

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(b)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

- b) The personal hardship of any resident or ratepayer,*
- d) Commercial information of a confidential matter that would, if disclosed:
 - i. prejudice the commercial position of the person who supplied it.**

16.2. MATTERS SUBMITTED BY PRODUCTION AND SERVICES MANAGER

16.2.1. OURA RESERVOIRS AND AERATOR DESIGN & CONSTRUCTION PROJECT UPDATE

BOARD RESOLUTION

24/010 RESOLVED on the motion of Crs McGlynn and Sinclair that Council receive and note the report.

*This report is **CONFIDENTIAL** in accordance with Section 10A(2)(d)(i) of the Local Government Act 1993, which permits the meeting to be closed to the public for business relating to the following:*

- d) Commercial information of a confidential matter that would, if disclosed:
 - i. prejudice the commercial position of the person who supplied it,**

16.3. MATTERS SUBMITTED BY ENGINEERING MANAGER

16.3.1. NIMBY ROAD COMPULSORY ACQUISITION OF EASEMENT

BOARD RESOLUTION

24/011 RESOLVED on the motion of Crs Sinclair and Callow that Council:

- 1) Council proceed with the compulsory acquisition of the interest in the land described as 6m wide easement through Lot 222 DP 753610, Lot 6 DP 798666, Lot 1 DP 722205, Lot 132 DP 1089613 and Lot 135 DP 753590 for the purpose of a water supply pipeline in accordance with the requirements of the Land Acquisition (Just Terms Compensation) Act 1991.

- 2) Council make an application to the Minister and the Governor for approval to acquire a 6m wide easement through the lots noted above by compulsory process under section 186(1) of the Local Government Act 1993.
- 3) That the land is to be classified as operational land.

This report is **CONFIDENTIAL** in accordance with 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 proposes to conduct) business

BOARD RESOLUTION

24/012 RESOLVED on the motion of Crs Callow and Sinclair that there being no further confidential items that the Board revert back to Open Session, and that the resolutions made in Confidential Session be made public.

11:01am – Confidential Session exited.

The General Manager read out the resolutions made in CONFIDENTIAL session

17. MATTERS TO BE SUBMITTED TO OPEN COUNCIL

17.1. MATTERS SUBMITTED BY CORPORATE SERVICES MANAGER

17.1.1. COUNCIL CASH AND INVESTMENTS

BOARD RESOLUTION

24/013 RESOLVED on the motion of Crs McAlister and White that the report detailing Council Cash and Investments as at 31 December 2023 be received and noted.

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the report detailing Council Cash and Investments as at 31 December 2023 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 2 Customer Service Focus

BACKGROUND

A report on Council's Investments is required to be presented for Council's consideration in accordance with Clause 212 of the Local Government (General) Regulation 2021.

REPORT

Council's cash and investment portfolio decreased by \$1,760,572.17 from \$32,834,434.78 as at 30 November 2023 to \$31,073,862.61 as at 31 December 2023.

Cash and Investment Portfolio

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

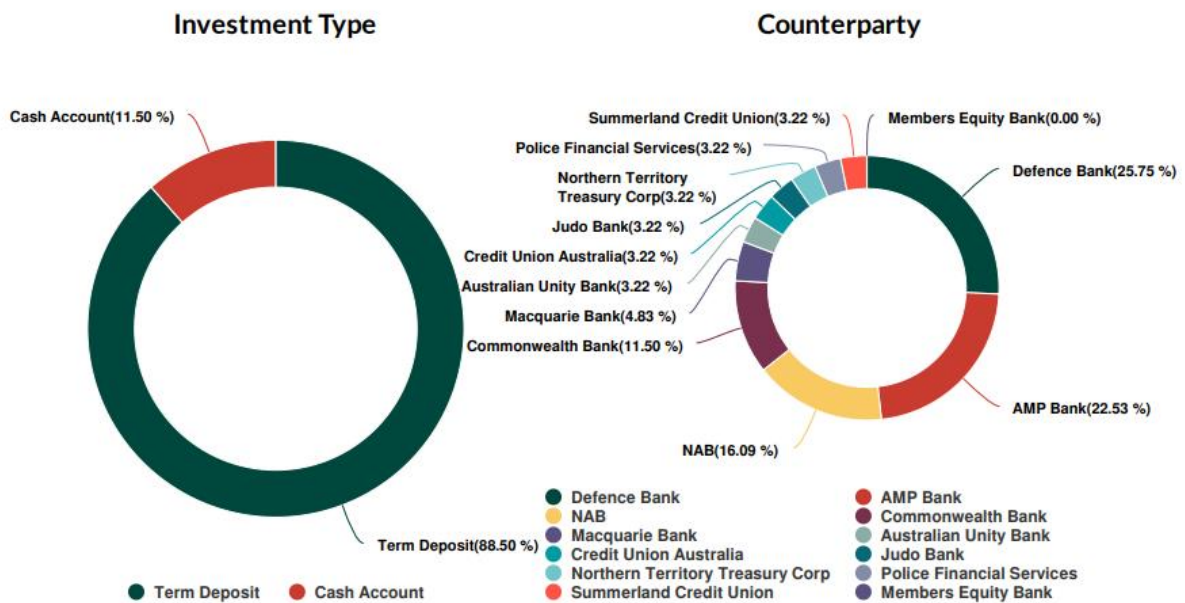
Type	LT Rating	ST Rating	Issuer	Frequency	Purchase	Maturity	Days	Rate	Bmark	Principal
TD	BBB	A-2	Defence Bank	At maturity	16/02/2023	16/02/2024	365	5.00%	4.36%	\$3,000,000
TD	AA-	A-1+	NAB	Annually	24/02/2023	26/02/2024	367	4.98%	4.36%	\$1,000,000
TD	A+	A-1	Macquarie Bank	At maturity	5/04/2023	3/04/2024	364	4.55%	4.36%	\$1,500,000
TD	BBB	A-2	Credit Union Australia	Annually	31/01/2023	17/04/2024	442	4.67%	4.36%	\$1,000,000
TD	BBB+	A-2	Australian Unity Bank	Annually	9/02/2023	9/05/2024	455	4.80%	4.36%	\$1,000,000
TD	AA-	A-1+	NAB	At maturity	26/06/2023	25/06/2024	365	5.48%	4.36%	\$1,000,000
TD	BBB-	A-3	Judo Bank	Annually	24/01/2023	25/07/2024	548	4.45%	4.36%	\$1,000,000
TD	AA-	A-1+	NAB	Annually	24/02/2023	16/08/2024	539	4.95%	4.36%	\$2,000,000
TD	BBB	A-2	AMP Bank	Annually	2/08/2023	4/09/2024	399	5.45%	4.36%	\$2,000,000
TD	BBB	A-2	AMP Bank	Annually	15/03/2023	19/09/2024	554	4.80%	4.36%	\$1,000,000
TD	BBB	A-2	Defence Bank	Annually	1/12/2023	29/11/2024	364	5.50%	4.36%	\$4,000,000
TD	NR	NR	NT Treasury Corp	Annually	28/09/2020	15/12/2024	1539	1.10%	4.36%	\$1,000,000
TD	BBB	A-2	AMP Bank	Annually	12/01/2023	13/01/2025	732	4.55%	4.36%	\$2,000,000
TD	AA-	A-1+	NAB	Annually	24/02/2023	24/02/2025	731	4.93%	4.36%	\$1,000,000
TD	BBB	A-2	AMP Bank	Annually	1/09/2023	4/03/2025	550	5.05%	4.36%	\$2,000,000
TD	BBB	A-2	Police Financial Svcs	Annually	1/03/2023	13/03/2025	743	5.15%	4.36%	\$1,000,000
TD	BBB	A-2	Defence Bank Summerland CU	Annually	8/03/2023	27/03/2025	750	4.90%	4.36%	\$1,000,000
TD	NR	NR	NT Treasury Corp	Annually	22/03/2023	8/05/2025	778	4.80%	4.36%	\$1,000,000
CASH	AA-	A-1+	Commonwealth Bank	At Call Account		1/01/2024	1	4.35%	4.35%	\$2,262,823.22
CASH	AA-	A-1+	Commonwealth Bank	Cash Account		1/01/2024	1	1.00%	1.00%	\$1,311,039.39
TOTAL:										\$31,073,863

Type	LT Rating	ST Rating	Issuer	Frequency	Purchase	Maturity	Days	Rate	Bmark	Principal
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TEMORA OFFICE on 22 FEBRUARY 2024**

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CASH	AA-	A-1+	Commonwealth Bank	Cash Account		1/01/2024	1	1.00%	1.00%	\$1,311,039.39
TOTAL:										\$31,073,863

The graphs indicate Council's Investment Type - cash percentages compared to term deposits, and investments and Counterparty investment percentages for each financial institution.



Portfolio Performance

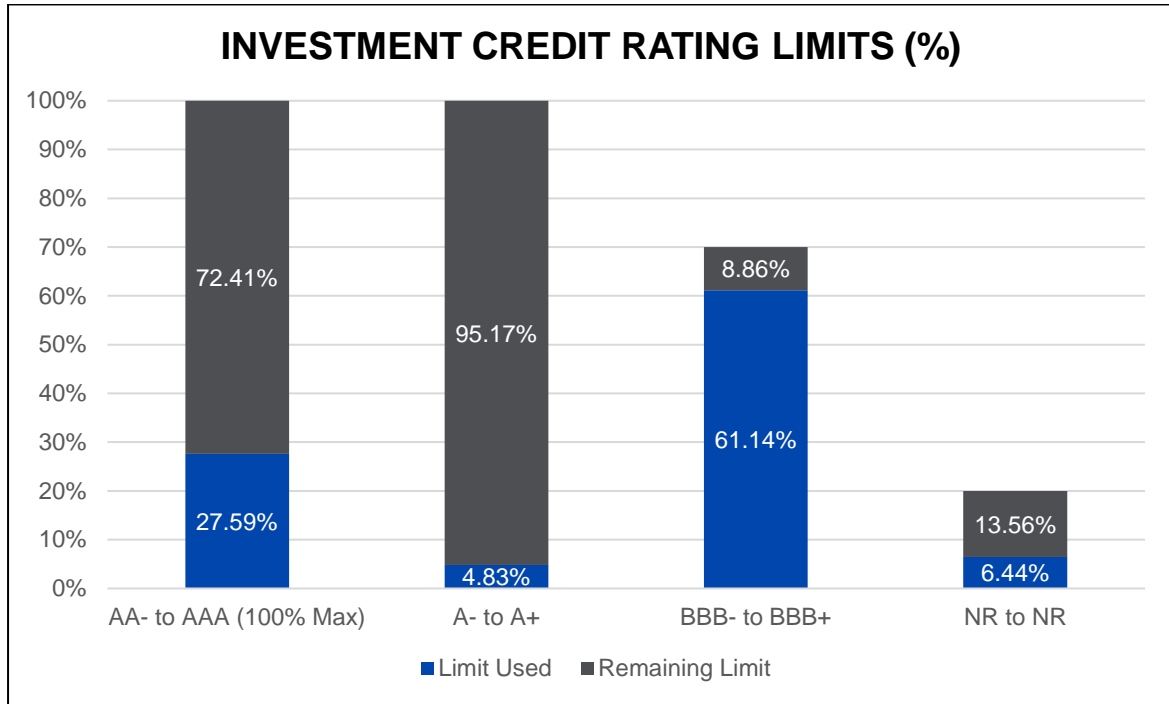
Goldenfields Water County Council's investment portfolio weighted average interest for December 2023 was 4.65%. Performance indicators for comparison are:

- BBSW 4.3575% RBA Cash Rate 4.35% AusBond Bank Bill 4.335%

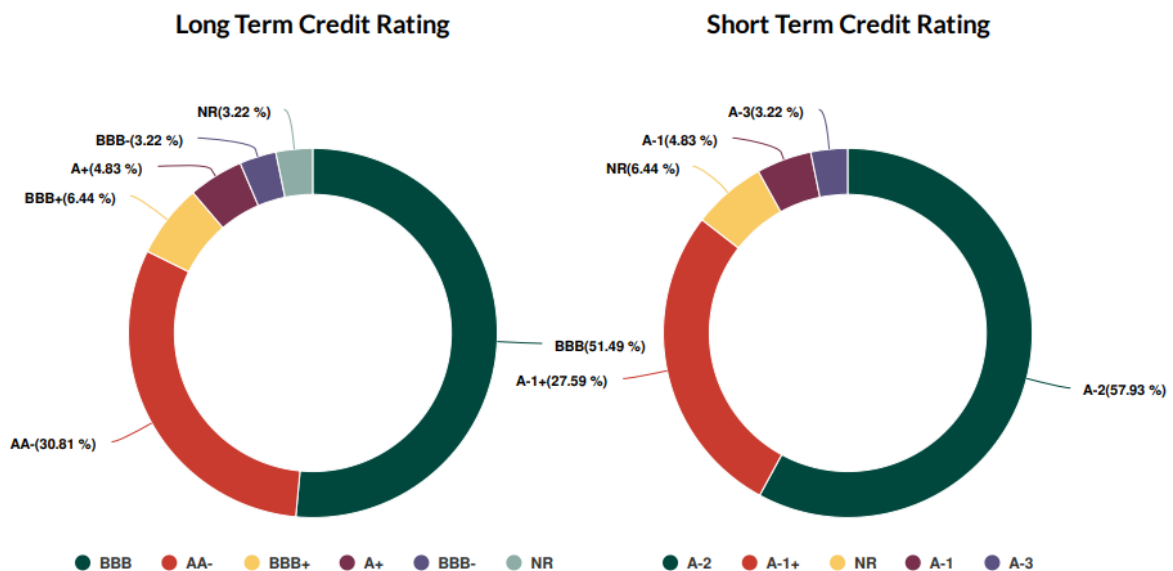
Total Cost	Yearly Interest Received	Weighted Average Term
\$31,073,862.61	\$175,024.66	234 Days
Total Portfolio Value	Monthly Interest Received	Weighted Average Yield
\$31,926,028.48	\$31,000	4.65%

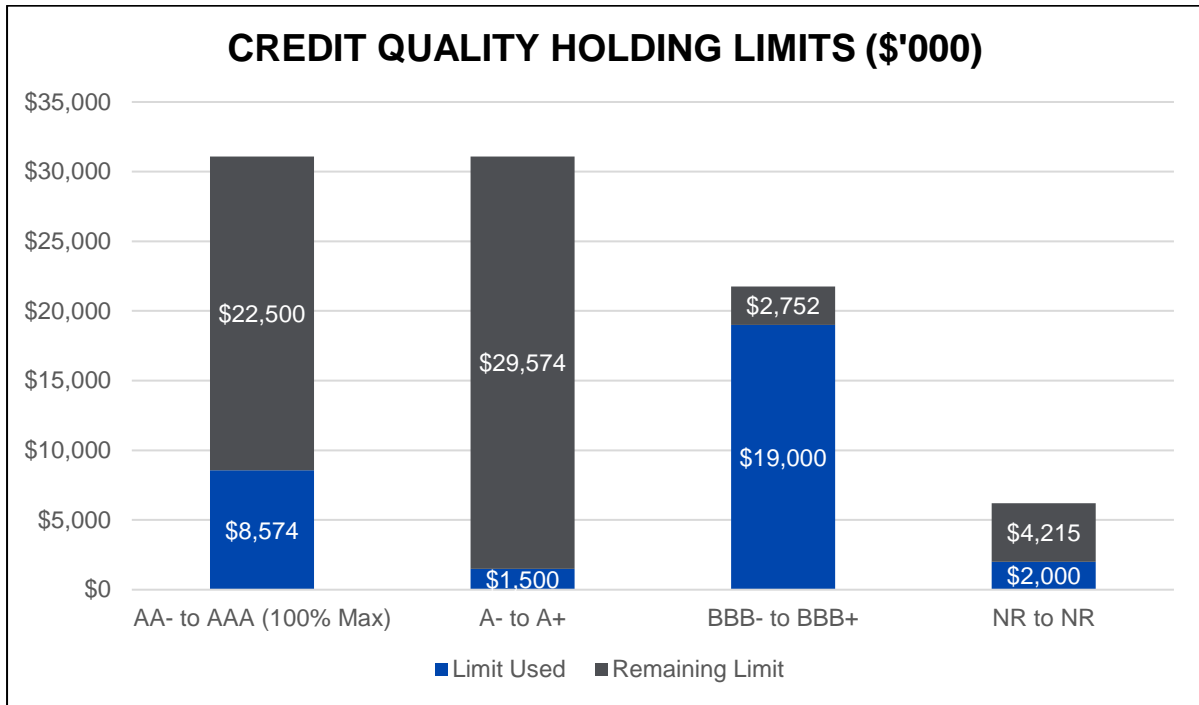
Credit Quality Compliance

Council’s investment portfolio was compliant with policy in terms of S&P long term rating credit quality limits, as displayed below.



The following graphs indicate the percentages of investments held based on Long Term and Short Term investments and the credit ratings of those financial institutions. Note that Long Term Investments are greater than 12 months.

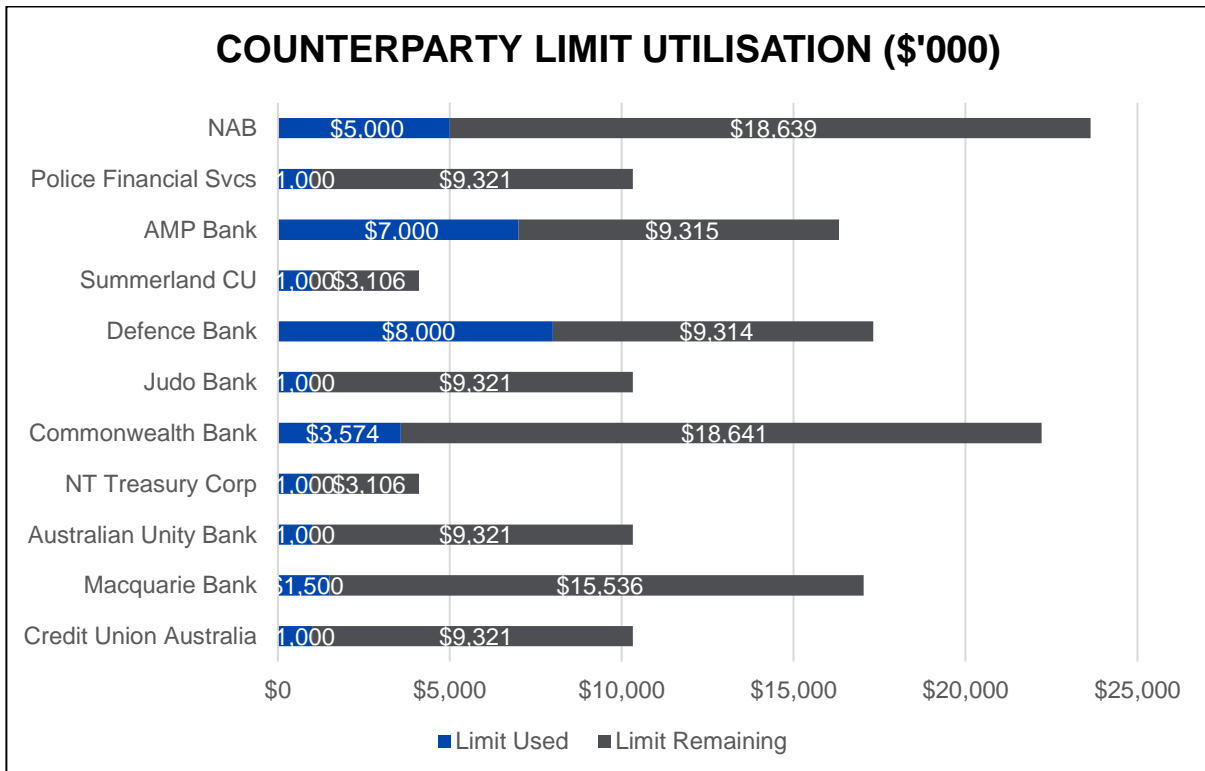


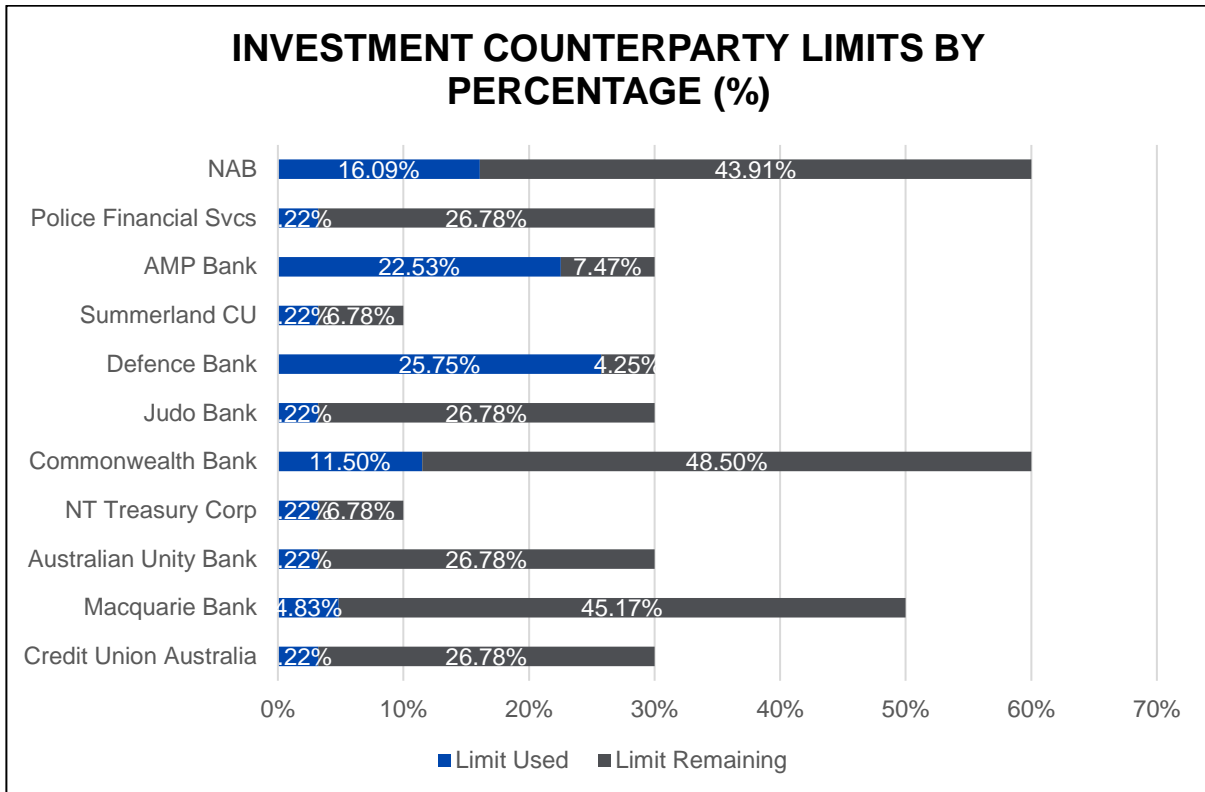


Counter Party Compliance

As at the end of December, Council was compliant with policy in terms of individual financial institution capacity limits. It is worth noting that capacity limits are affected by changes in the on-call account balance compared to the total portfolio balance.

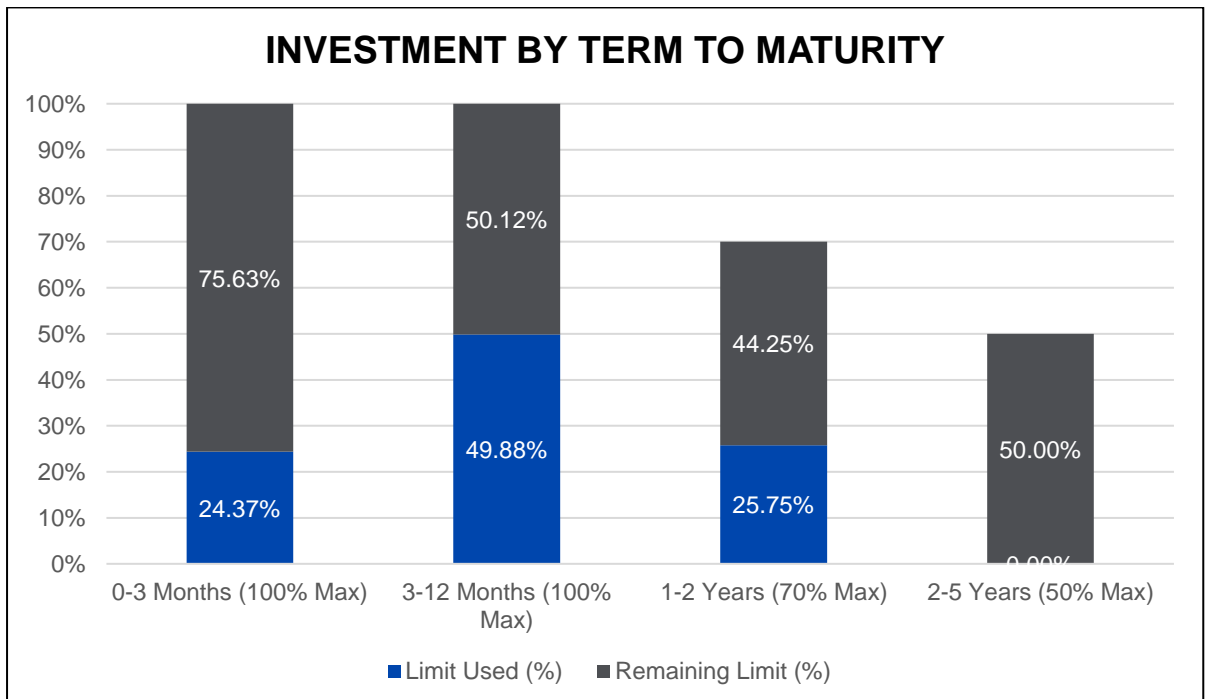
Overall, the portfolio is diversified across a variety of credit ratings, including some exposure to unrated ADIs.





Term to Maturity

Council’s investment portfolio maturities shown graphically below were also compliant with policy requirements.



Application of Investment Funds

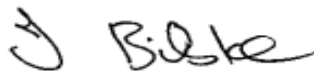
The table below details the allocation of cash balances in terms of restricted funds, noting restrictions are all internal rather than external.

Restricted Funds:	
Employee Leave Entitlements	\$2,551,897
Plant & Vehicle Replacement	\$1,462,793
Infrastructure Replacement	\$1,349,640
Section 64 Developer Contribution Reserve	\$5,000,000
Unrestricted Funds	\$20,709,533
TOTAL	\$31,073,863

Declaration

I hereby certify that investments listed in the report have been made in accordance with Section 625 of the Local Government Act 1993, Clause 212 of the Local Government (General) Regulation 2005 and Council's Investment Policy PP004.

Signed



Corporate Services Manager

FINANCIAL IMPACT STATEMENT

Council's cash and investment portfolio decreased by \$1,760,572.17 from \$32,834,434.78 as at 30 November 2023 to \$31,073,862.61 as at 31 December 2023.

ATTACHMENTS: Nil.

TABLED ITEMS: Nil.

17.1.2. PROGRESS REPORT - CAPITAL WORKS EXPENDITURE

BOARD RESOLUTION

24/014 RESOLVED on the motion of Crs Callow and Sinclair that the Capital Works Progress Report as at 31 January 2024 be received and noted

Report prepared by Corporate Services Manager

COUNCIL OFFICER RECOMMENDATION

That the Capital Works Progress Report as at 31 January 2024 be received and noted.

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 2 Customer Service Focus

BACKGROUND

Capital Works represents an important part of Council's activities and expenditure. This report details expenditure and progress for the year to date on programmed and emergent capital works.

REPORT

The Capital Works financial report provides a "snapshot" of Council's Capital Works Program on 31 January 2024. Capital Works expenditure is reviewed on a weekly basis and discussed with relevant managers and by the Management team.

The Capital Works Report **Attachment A** includes the proposed budget variations listed in Attachment B in the column "Proposed QBR Dec 2023" and are included in the Quarterly Budget Review December Report submitted for your approval.

A detailed report on Council's Major Projects over multiple years is included in this report as **Attachment B** for your information. This report includes the Projects expected completion dates and progress commentary on the individual capital works.

A commentary report on Council's Major Projects for the current financial year is included in **Attachment C** for your information.

FINANCIAL IMPACT STATEMENT

The recommendation has increased Council's Capital Works Expenditure by \$2,200,000.

ATTACHMENTS:

ATTACHMENT A: Capital Works Progress Report as at January 2024.

ATTACHMENT B: Commentary on Major Capital Works on projects over multiple years as at 31 January 2024

ATTACHMENT C: Commentary on Major Capital Works commentary – current year

TABLED ITEMS: Nil

17.1.3. QUARTERLY BUDGET REVIEW 31 DECEMBER 2023

BOARD RESOLUTION

24/015 RESOLVED on the motion of Crs McAlister and Sinclair that the Board receives and adopts the Quarterly Budget Review for the period ended 31 December 2023.

Report prepared by Corporate Services Manager

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

Priority 2 Customer Service Focus

BACKGROUND

Clause 211 of the Local Government (General) Regulation 2005 requires Council to formally adopt the inclusion of unspent prior year budget expenditure into the next year's budget.

REPORT

The Quarterly Review of Council's Budget for the period ended 31 December 2023 is submitted for examination and adoption by Council.

The revised operating result for 2023/24 anticipates an overall reduction in the adopted budget deficit from \$1,482,000 to \$1,079,000 excluding Capital Income.

Capital Works expenditure is not included in the Operating Result and is an additional outlay. Further detail regarding capital works can be found in the Capital Budget Review Statement in the Quarterly Budget Review attachment.

Proposed December 2023 quarterly review adjustments:

Operational Additional Income

- Nil

Operational Additional Expenditure

- | | \$'000 |
|--|---------------|
| • Work Health & Safety – additional funds required for contractors and consultants – originally underbudgeted. | 32 |
| • IT – Salaries and wages – reduction due to vacant positions. | (65) |
| • IT – Contractors and Consultants – work deferred. | (44) |
| • IT – Contractors and Consultants – Aqualis development deferred. | (320) |
| • HR – Advertising -originally underbudgeted. | 14 |
| • HR - Legal – reduction in budget - not required. | (20) |

Total Operational Expenditure budget variations required - (403)

Capital Revenue

- | | |
|---|-------|
| • Developer Contributions – additional S64 contributions. | 5,100 |
| • West Wyalong Reliability Project – contribution from NSW connections Funding Pathway Milestone 3 – not originally budgeted. | 2,250 |
| • Sale of Plant Income – reduction from original budget. | (187) |

Total Capital Revenue variations required 7,163

Capital Expenditure

- | | |
|--|---------|
| • Plant Purchases – reduction – overbudgeted in original budget. | (1,003) |
| • Temora Depot building – reduction – project on hold. | (1,440) |
| • Depot Workshop lean to storage area. | 50 |
| • Temora Depot storage pad. | 50 |
| • Rosehill Pipeline – Easements. | 80 |

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

- Water Network – Trunk Renewals reduction. (300)
- Water Network – Trunk Renewals Rosehill to Harden Bypass – project delayed. (1,063)
- Water Network – rural renewals GWCC – reduction. (350)
- Wyalong Reliability Project Investigation & Design increased costs. 20
- Water Network urban and rural taggle replacement program. (500)
- Pump Stations & Bores – Jugiong CWPS1 P1 & P2 Inlet Manifold reduction. (500)
- Pump Stations & Bores – Oura Pump Station renewals. (1,070)
- Reservoirs – Wombat BT Renewal – deferred. (2,080)
- Reservoirs External Adhoc Renewals. (50)
- Reservoirs Internal Adhoc Renewals. 50

Total Capital Works Expenditure reduction (8,106)

FINANCIAL IMPACT STATEMENT

The recommendation has increased capital revenue by \$7,163,000 and a decrease in capital expenditure \$8,106,000. The operating budget has been decreased \$403,000.

ATTACHMENTS: Quarterly Budget Review 31 December 2023.

TABLED ITEMS: Nil.

17.2. MATTERS SUBMITTED BY OPERATIONS MANAGER

17.2.1. PLANT PURCHASING

BOARD RESOLUTION

24/016 RESOLVED on the motion of Crs Callow and McGlynn that the Board approve \$250,000 for plant purchases for the 2024/2025 Financial Year.

Report prepared by Operations Manager

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure & Efficient Water Supplies

REPORT

Permission is sought from the Board to commit \$250,000 now for plant purchases (commercial vehicles) for the 2024/2025 Financial Year, so that orders can be placed in the system.

In the current environment Council is still experiencing difficulties in delivery of commercial vehicles due to disruptions within the overseas supply chain. Dealers state that the on-going instability in the middle eastern countries is also causing a domino effect with supply.

Supply through to delivery of commercial vehicles is still lagging between 6 – 8 months, not including port disruptions.

As such it is recommended to place orders in the system now due to lengthy delays in the supply chain.

FINANCIAL IMPACT STATEMENT

The recommendation will commit \$250,000 capital expenditure to the 2024/2025 budget.

ATTACHMENTS: Nil

TABLES ITEMS: Nil

17.3. MATTERS SUBMITTED BY PRODUCTION AND SERVICES MANAGER

17.3.1. WATER PRODUCTION REPORT

BOARD RESOLUTION

24/017 RESOLVED on the motion of Crs Sinclair and White that the Water Production Report be received and noted.

Report prepared by Production and Services Manager

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 3 A Healthy Natural Environment

BACKGROUND

Goldenfields Water provides the essential water requirements of about 40,000 people spread over an area in excess of 20,000 square kilometres between the Lachlan & Murrumbidgee Rivers in the South West of NSW.

Goldenfields Waters' supply system consists of five separate water schemes, Jugiong, Oura, Mt Arthur, Mt Daylight and Hylands Bridge. Goldenfields Water carries out water supply functions within the Local Government areas of Bland, Coolamon, Cootamundra, Hilltops, Junee, Temora, and parts of Narrandera and Wagga Wagga.

Hilltops Shire Council, Cootamundra Gundagai Shire Council and Riverina Water County Council are retailers, who purchase bulk water from Goldenfields and supply the water to retail customers in their respective local government areas.

REPORT

Jugiong drinking Water Scheme

The Jugiong drinking water scheme sources water from the Murrumbidgee River and has an extraction licence entitlement of 5590ML per annum. Water from the Murrumbidgee River is treated through a 40ML/day, conventional Water Treatment Plant that consists of: Coagulation, Flocculation, Clarification, Filtration, Disinfection and Fluoridation.

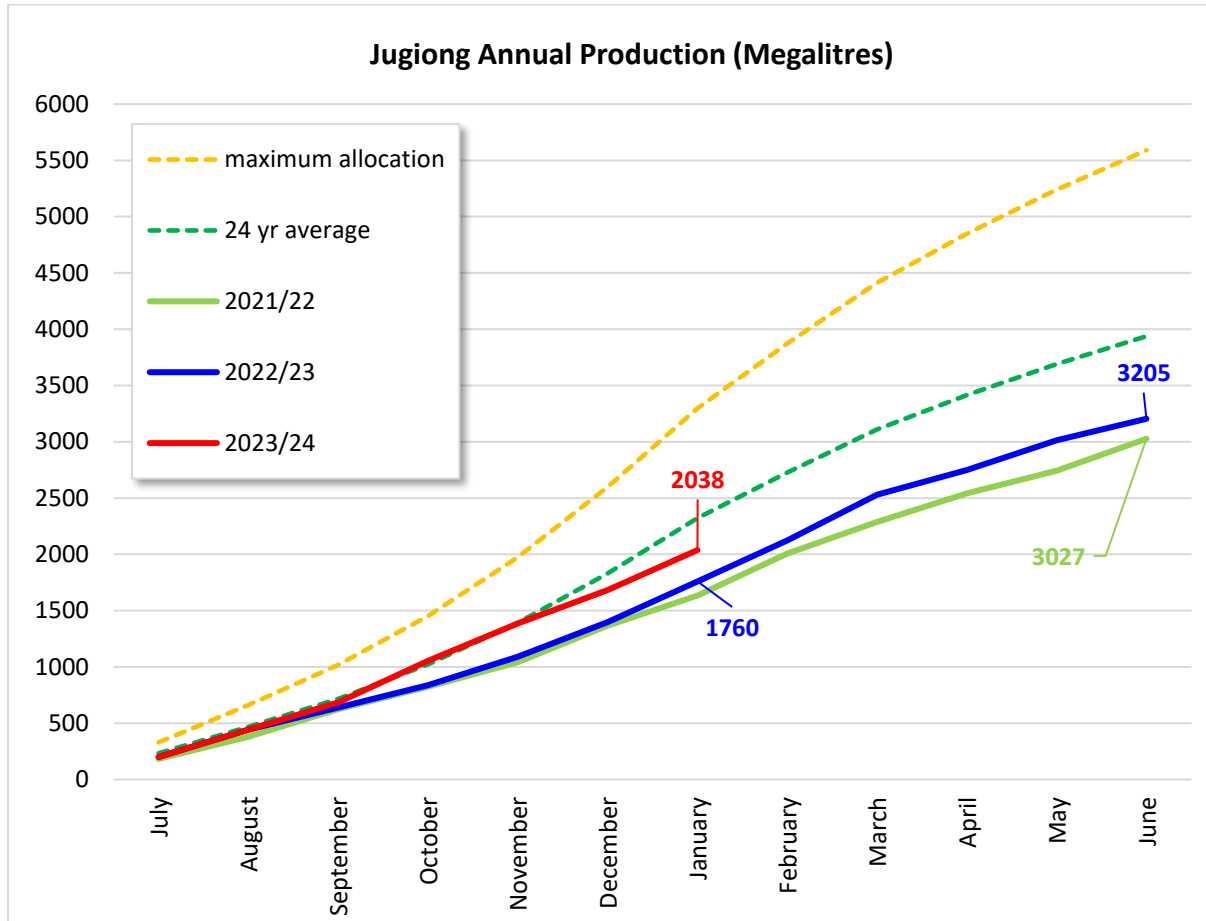
**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

The Jugiong Scheme has 14 sets of reservoirs and 8 pumping stations. The Jugiong Scheme supplies bulk water to the Hilltops and Cootamundra-Gundagai Regional Councils for supply to the townships of Cootamundra, Harden and Young with a population of approximately 6800, 2200 and 8000 respectively.

Goldenfields Water also provides additional retail supply to approximately 600 customers in the villages of Stockinbingal, Wallendbeen and Springdale.

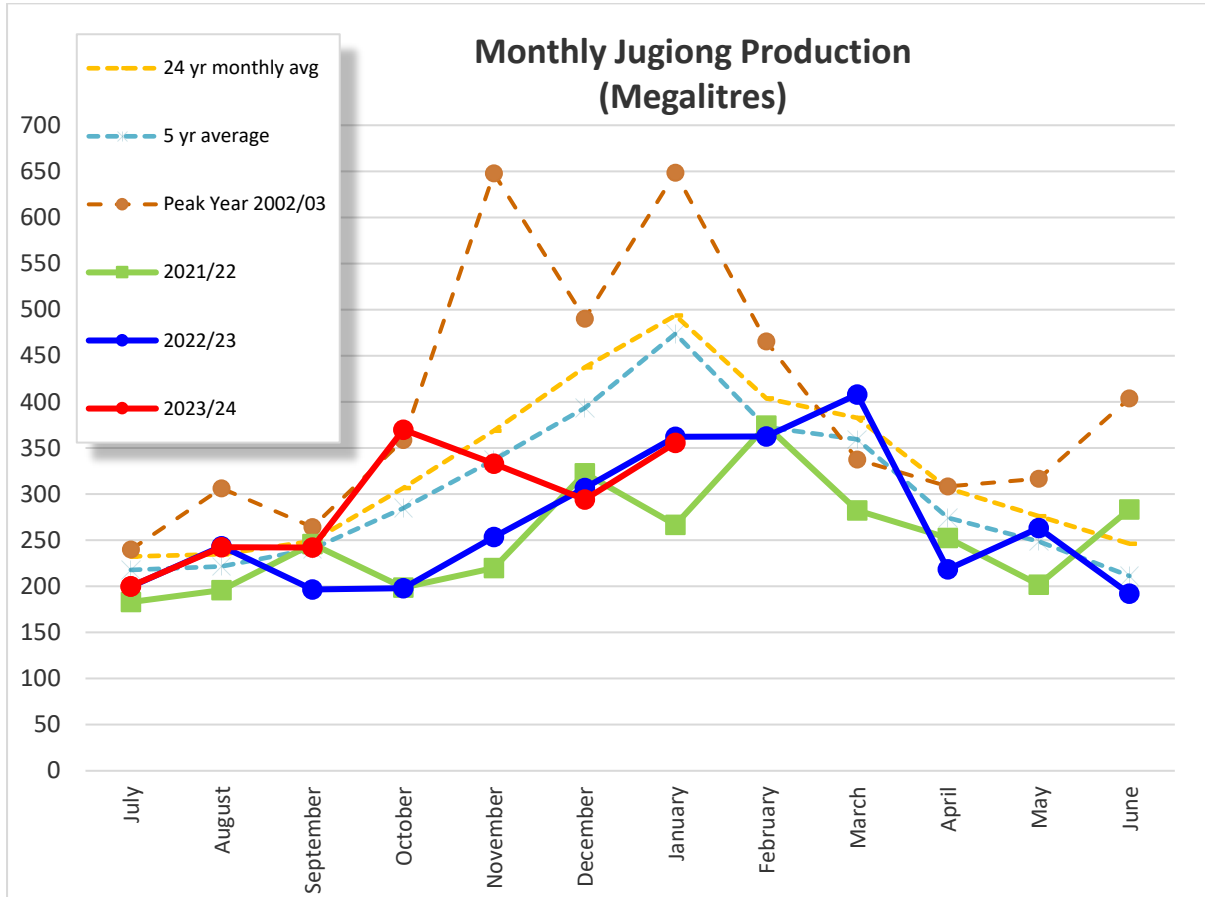
Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at TEMORA OFFICE on 22 FEBRUARY 2024

For the first 7 months of the 2023/24 financial year, 2038ML of water had been extracted from the Murrumbidgee River and processed at the Jugiong Water Treatment plant. This is slightly higher than for the 2022/23 FY where 1760ML was extracted. An increase of 278ML. This is illustrated in the graph below.



Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at TEMORA OFFICE on 22 FEBRUARY 2024

Jugiong monthly production started slightly higher in July with 200ML extracted and treated for the month. August saw a further increase in production with 242ML similar to the September period. Some warm dry weather increased production to 370ML in October, before some stormy wet periods provided a decrease for the months of November, December, and January with 333ML, 294ML and 356ML respectively.

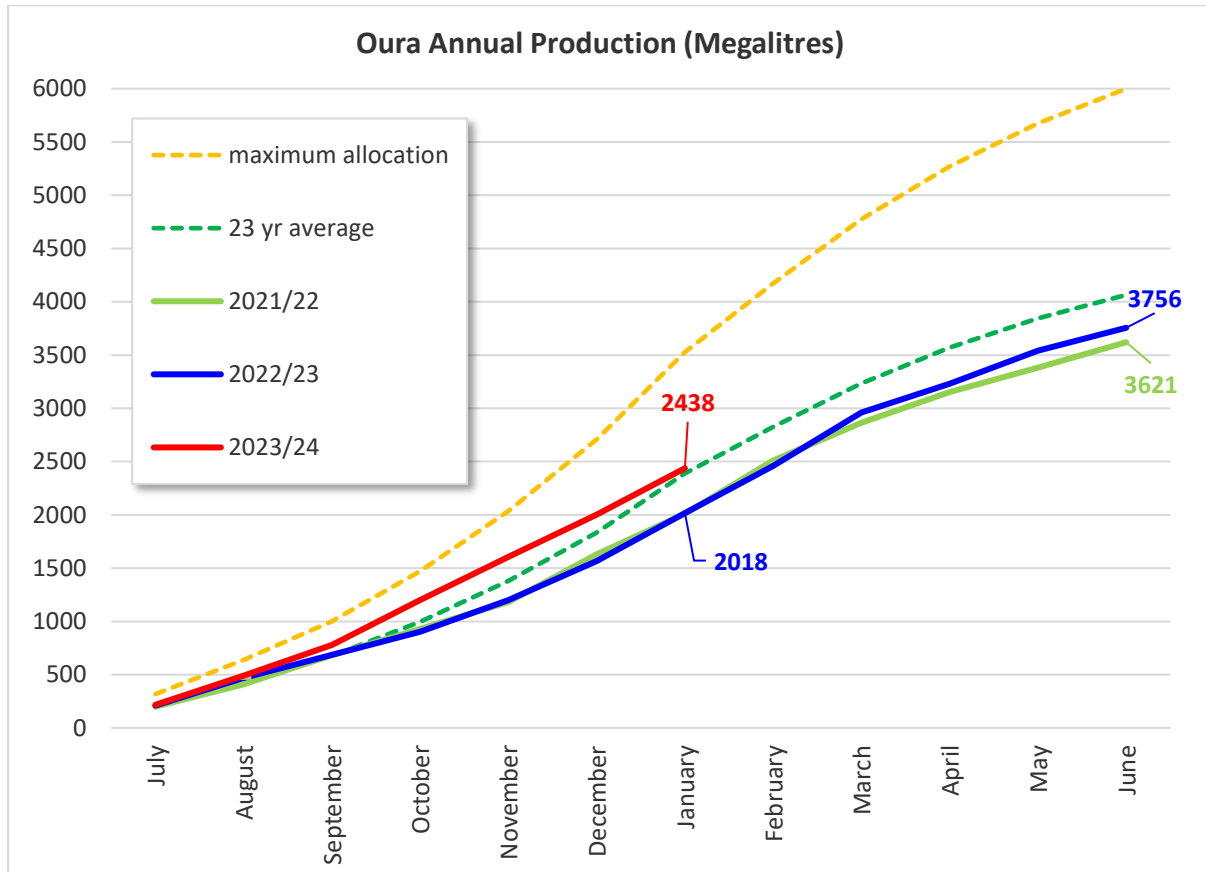


Oura Drinking Water Scheme

The water source at Oura is the Murrumbidgee inland alluvial aquifer, this water is extracted from 4 bores namely: Bores 2, 3, 4 and 6. The raw water then goes through a treatment process at the Oura Water Treatment Plant that includes Aeration, Disinfection and Fluoridation.

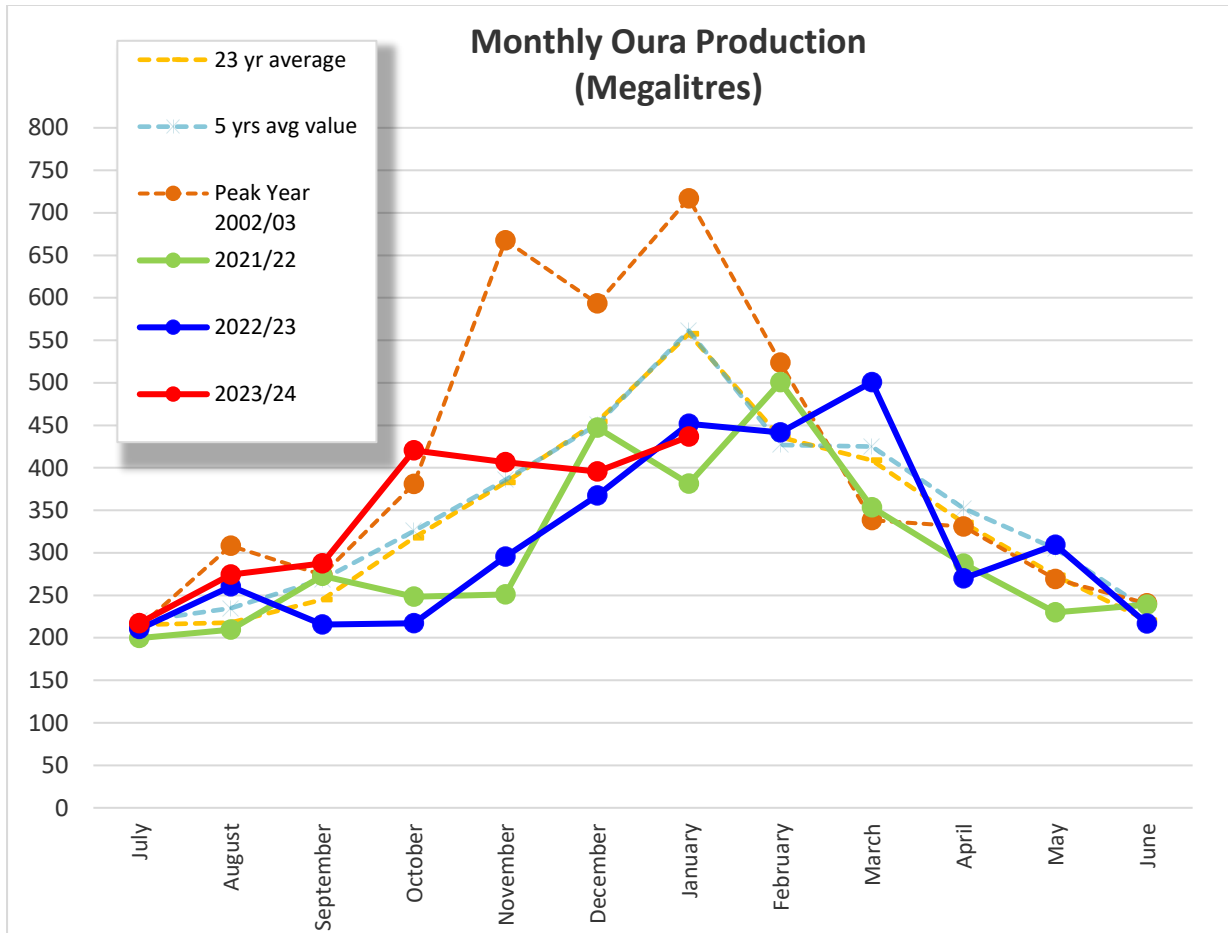
The Oura scheme has 33 sets of reservoirs, and 19 pumping stations, produces drinking water for approximately 14,600 people in the Bland, Coolamon, Junee, Narrandera and Temora Shires. The Oura scheme can also supply water to the Northern side of the rural area of Wagga Wagga City when required.

For the first 7 months of the 2023/24 financial year, 2438ML of water has been extracted from the Oura Borefield and processed at the Oura Water Treatment Plant. This is a 17% increase in production compared to 2022/23 FY where 2018ML of water was extracted for the same period. An increase in production of 420ML. This is depicted in the graph below.



**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

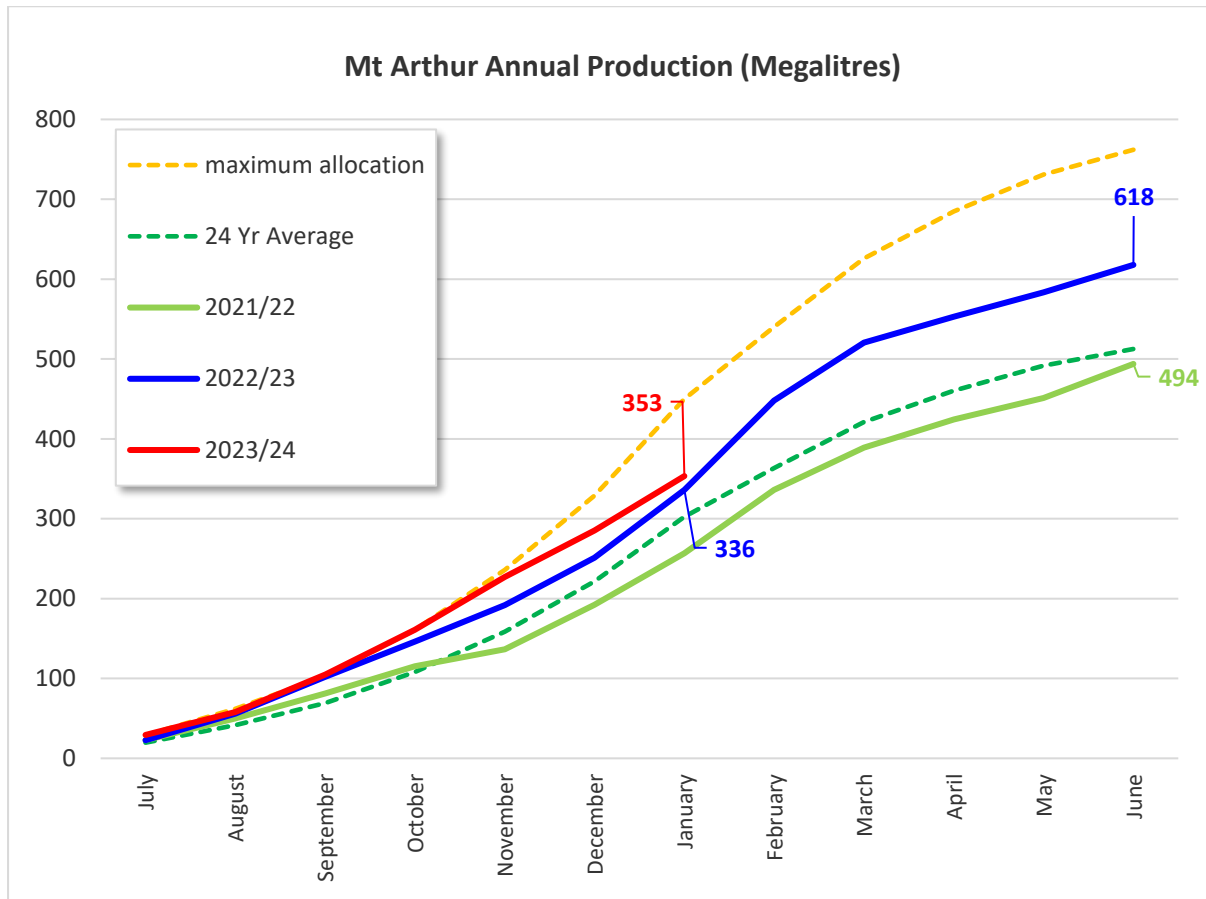
Oura monthly water production has started slightly higher in July where 217ML was extracted from the Oura bores. August saw an increase in production where 274ML was extracted, with a further increase in production for September provided a 287ML extraction. As with the Jugiong scheme, a warm dry period saw a further increase in production for October with 420ML extracted, before some stormy wet periods in November and December saw a slight decrease in production with 406ML and 395ML respectively. January provided our largest production period thus far with a total of 437ML for the month.



Mount Arthur Drinking Water Scheme

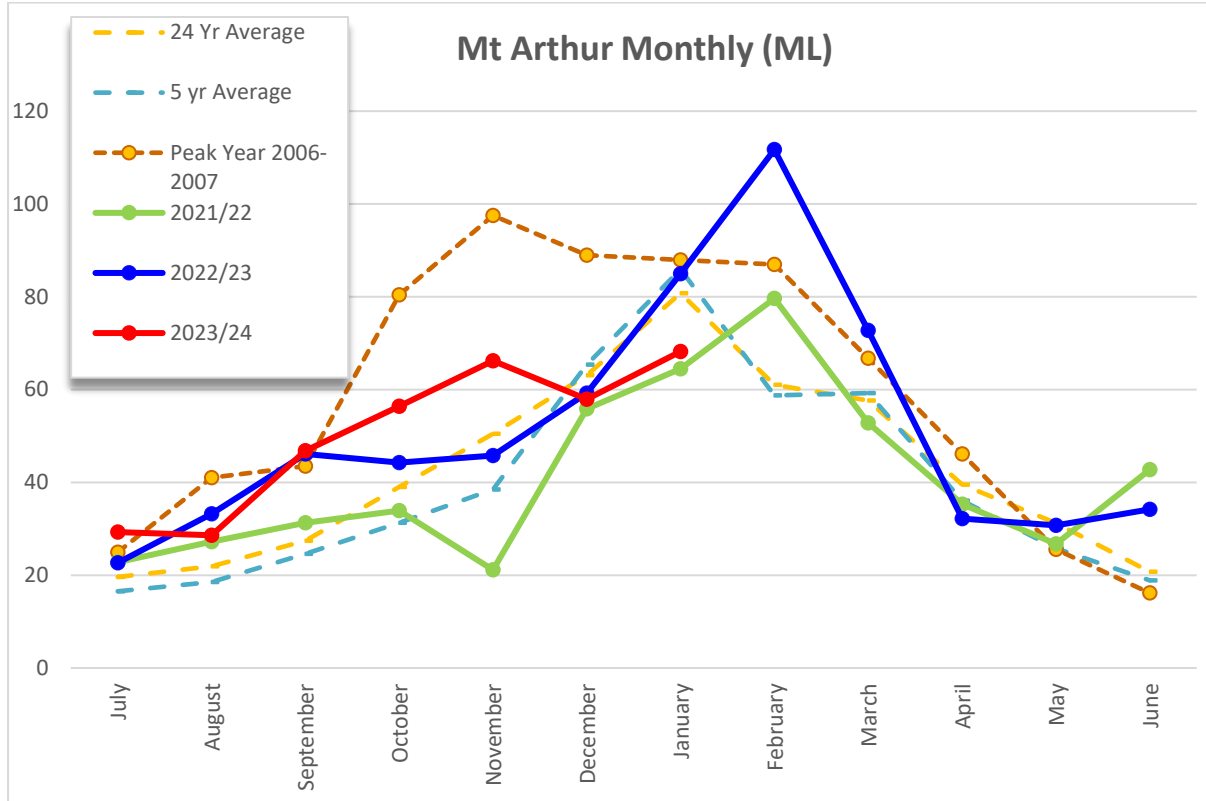
The Mount Arthur Water Source is from the Lachlan Fold belt Aquifer System. The water is extracted via two bores, being bores 1 and 2 located in the Wagga Wagga City Council area South of Matong. The water is disinfected before distribution through 9 sets of reservoirs supplying approximately 2400 people with water in the Coolamon shire.

For the first 7 months of the 2023/24 financial year, 353ML of water has been extracted from the Mt Arthur Borefield. This is an increase compared to the 2022/23 FY where 336ML was extracted from the Mt Arthur bores for the same period with an increase of 18ML. As can be seen in the graph below, production is trending slightly higher to previous years.



Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at TEMORA OFFICE on 22 FEBRUARY 2024

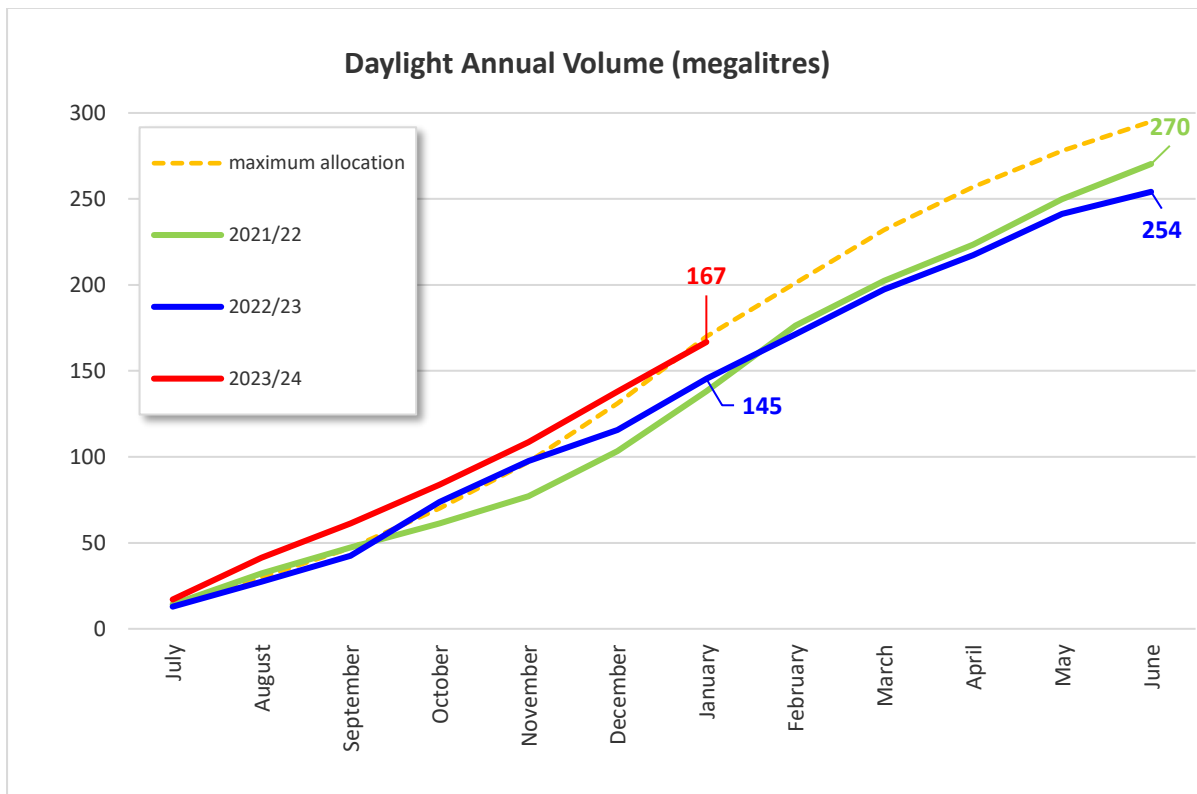
Mt Arthur monthly water production started slightly higher to previous years with 29ML of water extracted from the bores in July. August saw a slight decrease to 28ML extracted and September a further increase to 47ML extracted. Production for the period of September through to January has been steadily increasing every month.



Mount Daylight Drinking Water Scheme

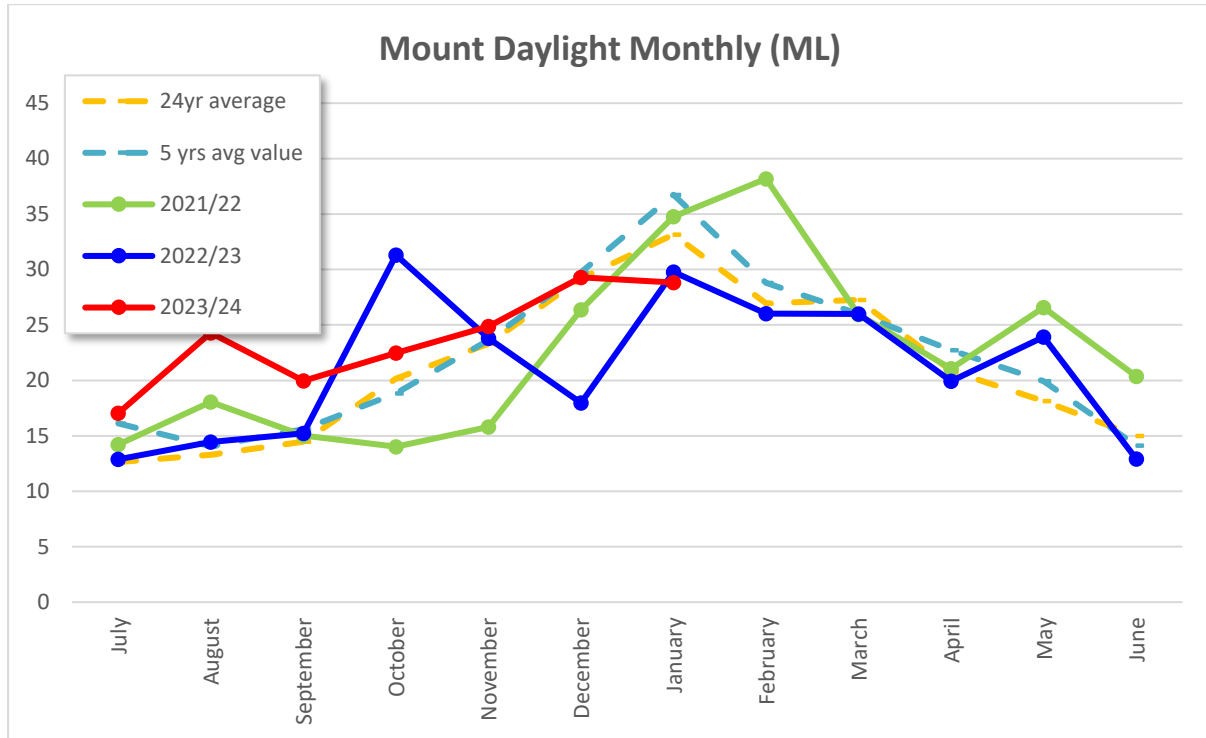
The Mount Daylight water source is from the Lower Lachlan alluvium aquifer. The Mount Daylight bores are jointly operated with Carathool Shire Council. Carathool Shire Council is responsible for bore management. There are 7 sets of reservoirs in the Mt Daylight scheme. Mt Daylight supplies water to approximately 125 people in the villages of Naradhan, Weethalle and Tallimba which is located within the Bland Shire.

For the first 7 months of the 2023/24 financial year 167ML of water has been extracted from the Mt Daylight Borefield. This is an increase in volume of 22ML compared to the 2022/23 FY where 145ML was produced over the same period.



Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at TEMORA OFFICE on 22 FEBRUARY 2024

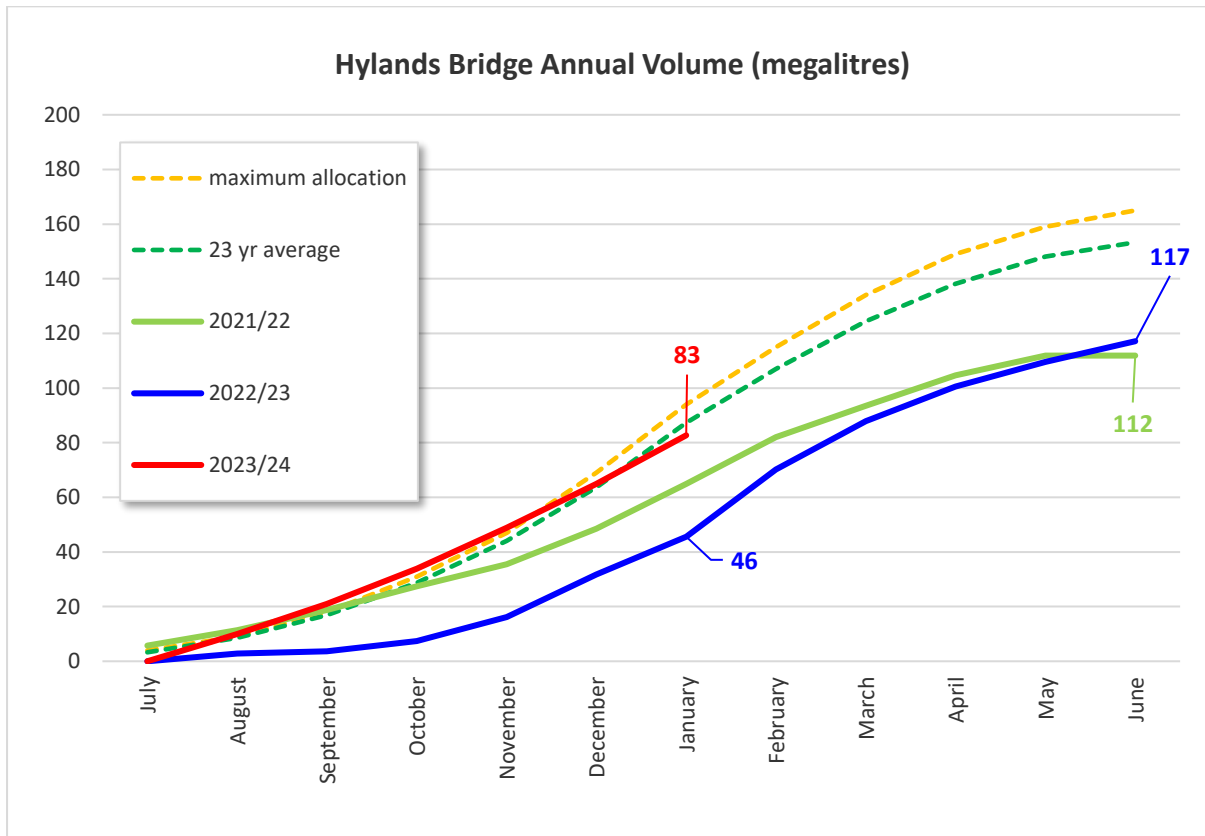
The monthly extraction totals for the Mt Daylight bores started very consistently with July seeing 17ML extracted with slight increases in August 24ML, September was slightly lower in production with 20ML extracted, the period September through to November seen consistent increases in production every month with September 20ML, October 22ML and November 25ML extracted from the Mt Daylight Bores. December saw production to 29ML, January was similar with just under 29ML extracted for the month.



Hylands Bridge - Non-Potable

Hylands Bridge supplies Non-Potable water to Barellan and Binya. The water is sourced through the Murrumbidgee Irrigation Area where Goldenfields Water holds 165ML shareholding for water entitlement.

For the first 7 months of the 2023/24 financial year 83ML of water has been extracted from the Hylands Bridge Raw Water Scheme. This is a large increase compared to the same period last year where only 46ML had been extracted.



FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

LOCAL PREFERENCE

N/A

ATTACHMENTS: Nil

TABLED ITEMS: Nil

17.3.2. JUGIONG HIGH VOLTAGE PROJECT UPDATE

BOARD RESOLUTION

24/018 RESOLVED on the motion of Crs Callow and McGlynn that:

- a. The report be received and noted.**
- b. Approve the required budgetary adjustment as detailed within the report.**

Report prepared by Production and Services Manager

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure and Efficient Water Supplies

BACKGROUND

The Board at its October 2023 meeting resolved:

That the Board;

- a) note the information detailed within the report
- b) approve to award the contract (Tender 04/2023) for the Jugiong WTP HV LV Electrical Installation Project to JRC Pty Ltd for \$2,249,543.09 (exc GST).
- c) Approve a budgetary provision of \$500k in the 2023/24 financial year, for the purchase of new electrical motors and their installation at the Jugiong WTP clear water pump station site.
- d) Pursuant to s55(3)(i) of the Local Government Act 1993, the Board considers that a satisfactory result would not be achieved by inviting tenders before entering into a contract for the purchase of new motors for Jugiong Number 1 and 2 pump stations, due to extenuating circumstances, being:
 - 1. currently there is a significant risk in long lead times for assets and their associated spares. This is exacerbated when manufactured overseas and custom built.
 - 2. Council previously tendered contract 05/2022 which provided the selection of new pumps and motors for the Oura HV site.
 - 3. flexibility in purchasing the same motors as per the previous tender 05/2022 reduces councils' risk of any failures across our HV sites by providing commonality and enabling the swapping out of any equipment across all three sites without any down time.
 - 4. Significant savings are made when equipment purchased has commonality and spares to be carried are minimalised.
 - 5. The training of staff with common assets provides greater service and reduces risk of downtime when incidents occur.
- e) authorise the General Manager or their delegate the delegation to negotiate the purchase of new 900kw motors from Toshiba International Corporation PTY LTD and enter into any such Agreements as necessary.

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

REPORT

Commencement of works onsite occurred in December 2023. Thus far the installation of all cable tray has been undertaken and the ordering of all hardware and materials has occurred. The request for three new Toshiba motors has also been completed with the delivery date expected to be in around May 2024 as they are made overseas.

As per the previous board report the following table was provided in regards to the overall Jugiong HV Project budget.

BUDGET ESTIMATE		
No.	Item	Estimate
1	GWCC Personnel and Internal Costs	\$350,000
2	Electrical Design (inc. ASP3 Essential Energy PoC)	\$450,000
3	Design and Construct – Switchroom and Associated Civil Works	\$2,550,000
4	Supply and Installation of HV Equipment	\$2,255,000
5	Electrical Installation Works (HV and LV)	\$2,500,000
6	SAFEgroup PLC / SCADA Works	\$150,000
7	Contingency	\$500,000
8	TOTAL	\$6,255,000

As you will note with all of the individual line items detailed, the total budget required for the project was estimated at \$8,755,000 including contingency. The above table detailed a total of \$6,255,000 which was incorrect.

The budgetary total detailed above has been used across our budgetary system and has shown a clear shortfall in allocation.

This report is to request a correction in the budgetary allocation of the Jugiong HV project.

The total project budget allocation required is \$8,755,000 plus the additional \$500,000 allocation for the new Toshiba motors detailed with the previous October resolution.

FINANCIAL IMPACT STATEMENT

The recommendation impacts Councils financial status via an additional budget allocation of \$3m. This \$3m will see that \$2m is brought forward into the 2023/24 financial year with a

budget provision of \$1m being allocated into the 2024/25 financial year to align with the delivery timeframe for completion of the project which is expected around September 2024.

In order to provide this additional allocation, staff will seek to defer the Jugiong Pump Station 2 HV Upgrade project to future years, which was set commence in the new financial year 2024/25.

It should also be noted that there are likely savings to be made from the current Oura Reservoir & Aerator project. A budget allocation of \$12.6m has been made; however, the current status of the project and approved variations in the delivery of the contract has seen significant savings made. It is estimated that Council should retrieve an additional \$1m back into the reserves following the successful delivery of this project.

ATTACHMENTS: Nil

TABLED ITEMS: Nil if none apply, items tabled in meeting

17.4. MATTERS SUBMITTED BY THE ENGINEERING MANAGER

17.4.1. BARELLAN SEWER PROJECT INCREASED CONTRIBUTION REQUEST

BOARD RESOLUTION

24/019 RESOLVED on the motion of Crs McAlister and Sinclair that:

- a) Agree to a funding contribution to Narrandera Shire Council of \$332,008 towards the Barellan Sewer Project specifically for water main replacements**
- b) Donate 10ML of water to Narrandera Shire Council for the Barellan Sewer Project, utilising water from the Hylands Bridge scheme where practical.**

Report prepared by Engineering Manager

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure and Efficient Water Supplies

BACKGROUND

In 2019 Narrandera Shire Council secured \$4.87m in grant funding under the Safe and Secure Water Program. At the time the total cost of the project was estimated to be \$6.29m and was to include the provision of sewerage pipelines, pump stations and a treatment plant for the township of Barellan, NSW.

In March 2022 Narrandera Shire Council approached Goldenfields Water in regard to the water infrastructure that may be disturbed as a result of the project. The sewerage infrastructure was to be located primarily in the back laneways which is where Goldenfields Water has their potable water network (noting that Goldenfields Water also has a non-potable water network in Barellan that is located primarily in the main streets). In some locations the potable water infrastructure was inconveniently located in the middle of the laneways and would be required to be relocated to enable the construction of the sewerage assets to proceed.

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

Goldenfields Water staff met with Narrandera Shire Council staff in May 2022 where NSC advised that the grant funding would cover 75% of the costs of replacing water infrastructure that is disturbed as part of the project. The “Current Value” of the impacted pipelines was approximately 20% of the gross replacement cost so this presented a good outcome for both Councils. Narrandera Shire Council have advised they originally planned for \$750,000 of water infrastructure works which would equate to a \$187,500 contribution.

Goldenfields Water also took the opportunity to include the installation of hydrants on the potable water mains in preparation for one day decommissioning the non-potable water network. Goldenfields Water will cover 100% of the costs related to the installation of the hydrants.

REPORT

Due to the industry wide price increases experienced over the past few years the project costs have exceeded initial estimates and grant funding contributions. Narrandera Shire Council made the decision to proceed with the project and the project construction contract was awarded in September 2023.

The Contractor engaged is responsible for identifying which water mains would need to be replaced. Goldenfields Water have been working with the contractors where required to assist delivery and ensure our standards are met.

Narrandera Shire Council have written to Goldenfields Water to request an increased contribution towards the project. NSC have requested Goldenfields Water consider a 50% contribution to the cost of the water infrastructure works which equates to \$541,923.

When taking this request into consideration Goldenfields Water should consider the impact this may have on our financial asset management. The project costs for the water infrastructure is quite high and exceeds both the NSW reference rates and Goldenfields Water’s adopted unit rates, furthermore there are existing assets with remaining useful lives that will be disposed of.

Goldenfields Water value the replacement pipeline works as \$430,350 as per our asset register’s current unit rate values for urban pipework which are based on the actual costs of works completed in recent years.

The pipelines being replaced had a Current Value of \$98,342. Some of these pipelines were old 50mm pipelines which have been replaced with our current standard DN100 PVC pipe.

Value of Works	\$
Value of works as per contract costs	\$1,083,846
Requested contribution amount (50%)	\$541,923
Value of works as per GWCC’s adopted unit rates	\$430,350
Value of assets disposed	\$98,342
GWCC Net Value = GWCC unit rate value of works minus value of assets disposed	\$332,008

The Board may wish to consider a contribution of the full request, GWCC’s unit rate value of the works, net value of the works, original anticipated contribution amount, original contribution percentage or as otherwise determined by the Board.

**Minutes of the Meeting of GOLDENFIELDS WATER COUNTY COUNCIL held at
TEMORA OFFICE on 22 FEBRUARY 2024**

Note: the figures above do not include the \$49,000 cost of the hydrants installation which Goldenfields Water are 100% responsible for as this was a requested addition to the project.

As part of the project Narrandera Shire Council will also need to purchase 10ML of water to fill the ponds at the treatment works. This will be achieved by using hydrants to discharge water into the newly constructed sewerage pump stations in town and then use the sewerage infrastructure to pump the water out to the treatment plant location. Usually, this water would be charged at the Temporary Water Supply rate being \$4.20 per kl which is higher than the normal Non-Residential Charge of \$2.27.

Depending on the Hylands Bridge scheme licensing entitlement and yearly scheme demand the 10ML may be provided fully from the Hylands Bridge non-potable system, fully from the Oura supply scheme or from a combination of both. The Hylands Bridge scheme is the non-potable scheme which supplies raw water from an irrigation channel and has reduced production costs to Council due to not needing to treat the water.

Should the Board wish to consider further assistance to Narrandera Shire Council it could consider a discounted water supply charge or a donation of the water required.

10ML at the temporary water supply charge = \$42,000

10ML at the Non-Residential supply charge = \$22,700

FINANCIAL IMPACT STATEMENT

In comparison to the original anticipated funding contribution of \$187,500, the recommendation comprises an increased funding contribution of \$144,508 and a loss of potential water sales income of \$42,000 representing a total increase of \$186,508.

ATTACHMENTS: Nil

TABLED ITEMS: Letter of request from Narrandera Shire Council

17.5. MATTERS SUBMITTED BY THE GENERAL MANAGER

17.5.1. DELIVERY PROGRAM PROGRESS REPORT – JULY TO DECEMBER 2023

BOARD RESOLUTION

24/020 RESOLVED on the motion of Crs Callow and White that the July to December 2023 Delivery Program Progress Report be received and noted.

Report prepared by General Manager

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure and Efficient Water Supplies

BACKGROUND

Section 404 of the Local Government Act 1993 - *Delivery Program*, stipulates that regular progress reports (at least 6 monthly) be provided to Council to report on progress toward the principal activities detailed in the Delivery Program.

REPORT

Council's July to December 2023 Delivery Program Progress Report has been created, measuring the organisations progress toward the Delivery Program. The report is attached for Council's information.

FINANCIAL IMPACT STATEMENT

The recommendation does not impact on Council's financial position.

ATTACHMENTS: Delivery Program Progress Report July to December 2023

TABLED ITEMS: Nil

17.5.2. APPOINTMENT OF AN ACTING GENERAL MANAGER

BOARD RESOLUTION

24/021 RESOLVED on the motion of Crs Callow and McGlynn that the Board appoints Geoff Veneris, Production & Services Manager, as Acting General Manager during the period 15 April 2024 to 19 July 2024, inclusive.

Report prepared by General Manager

ALIGNMENT WITH BUSINESS ACTIVITY STRATEGIC PLAN

Priority 1 High Quality, Secure and Efficient Water Supplies

BACKGROUND

Under section 334 of the Local Government Act, council must appoint the general manager.

REPORT

I will be on approved leave from 15 April 2024 until 19 July 2024. The appointment of an Acting General Manager is required to ensure efficient operations and the functions of the General Manager are maintained during this period.

It is my recommendation that Geoff Veneris, Production & Services Manager, is appointed to this position for the period between 15 April 2024 and 19 July 2024, inclusive.

FINANCIAL IMPACT STATEMENT

The annual operating budget includes funding for acting allowances, therefore there is not an impact on Councils Financial Position.

ATTACHMENTS: Nil

TABLED ITEMS: Nil

18. NEXT MEETING

The next ordinary meeting of Council is scheduled to be held on Thursday 11 April 2024 at 10:00am.

19. CLOSE OF BUSINESS

There being no further business requiring the attention of Council the meeting was declared closed at 11.21am