



Summary Information Sheet

Board Meeting 150

Held at Tatura on Wednesday 25 July 2007

A summary of information and deliberations

PRESENT:		
Don Cummins Chairperson	John Pettigrew Deputy Chairperson	John Brooke OAM Director
Craig Cook Director	Russell Cooper Managing Director	Peter Fitzgerald Director
Des Powell Director	Jean Sutherland Director	
Trevor Ierino Executive Manager Business & Finance	Brian Carr Corporate Secretary	

For queries regarding this information sheet, please contact Brian Carr on telephone No. 03 5833 5550 or email brianc@g-mwater.com.au

The next Board meeting will be held at Tatura on Tuesday 28 August 2007.

Foodbowl Modernisation Project

The Board adopted a position paper in relation to the Foodbowl Modernisation Project as follows:

That the Board of Goulburn-Murray Water:

- Welcomes and supports the announcement of the Foodbowl Modernisation Project.
- The Board will work with a range of parties including the Foodbowl Group, VFF, WSCs, Local Government, and State and Federal Government in order to work through a range of detail which will impact on the project.
- The Board will develop a process with the WSC Leadership group in order to ensure WSC input.
- We accept that a range of institutional structures are under consideration by the Government.
- Confirm our preparedness to evaluate all options, knowing the importance of G-MW involvement in appropriate decision making roles and to work with the agreed outcome.
- Welcome the appointment of Don Cummins and John Brooke as members of the Government appointed Steering Committee.
- Require Managing Director and Steering Committee appointees to agree on a process by which G-MW policy positions are agreed by the full Board, including the process for regular briefings.

Representatives of Foodbowl Unlimited Inc. met with the Board later in the meeting, at which time they provided a presentation on the project proposals.

Water Resource Issues

The Board considered reports on water resource issues and the outlook for the coming season, this in the context of an irrigation season commencement characterised by an unprecedented shortage of water.

A range of issues were addressed; these will be further discussed and tested from customer and industry viewpoints at an industry bodies forum to be held at Tatura on 2 August.

The Board also addressed strategies on revenue predictions, cost reductions, staff management and communications that may have to be considered for the coming season.

Dethridge Meter Outlets

There are over 22,000 customer billing meters within G-MW, with 18,280 being Dethridge meter outlets. The Dethridge meter has been in use throughout the irrigation industry in Australia for close on 100 years.

A review carried out by G-MW in conjunction with Thiess Services indicates that the Dethridge meter outlet will not comply with the National Metering Standards currently being developed. On this basis the Board resolved that no new Dethridge meter outlets emplacements be installed; that further field verification testing be undertaken to provide data for implementation of an accelerated replacement program; and that all Dethridge meter outlet replacements be deferred pending the outcome of the National Metering Standards program as well as awaiting implementation of any state or federal government modernisation project.

2007/08 Season Compliance Team

In 2006/07 the number of detected compliance issues more than doubled over the previous irrigation season, involving the taking of water without entitlement, interference with water meters, contravention of licence conditions and breaches of irrigation restrictions.

A compliance team is being established to ensure a high level of compliance is achieved in the coming 2007/08 season. To be funded within current budget levels the team will continue the strategy of zero tolerance, investigating all incidents and conducting water patrols at all hours. The Board noted the preparatory work being carried out to establish this compliance team.

Goulburn Broken Regional Catchment Strategy

Reviews of both the Shepparton Irrigation Region Surface Water Management Program and the Subsurface Drainage Program, each of which are key components of the Goulburn Broken Regional Catchment Strategy, were considered. G-MW customers benefit from these programs through the external funding for the capital cost of surface and subsurface drainage assets, resulting in accelerated implementation of these key aspects of irrigation infrastructure.

The Board noted and endorsed both reviews.

Lake Eildon Houseboat Fees

Guidelines by the Department of Treasury and Finance allow for the Minister to increase houseboat licence fees and associated charges to a level specified by the Treasurer.

The Board approved an application being made to the Minister for Water for a 2.5% increase in houseboat fees and associated charges for 2007/08, being the maximum amount specified by the Treasurer.

Water Services Committee Appointments

The Board approved a further appointment to Water Services Committees, this being in addition to the appointments approved out of session by the Board on 25 June 2007.

The Board welcomes new members appointed in this round of nominations/elections and those re-appointed at that same time. The Board is most appreciative of the skills and the customer perspective provided by WSC members; the Board thanks those members who have now completed their term of appointment.

Risk Management

Extensive work has been carried out over recent months with the implementation of a whole of business risk management framework. The Board noted details of work completed to date and activity planned for the period ending 31 August 2007 at which time systems to record, manage and evaluate corporate risk are due to “go live.”

Centralised Purchasing

G-MW's fleet and purchasing requirements were reviewed in July 2006 with an aim towards centralised purchasing and increased savings being gained through targeted supply agreements and higher volume purchasing power. The Board was pleased to note a report of savings of some \$576,000 secured through this restructure in the first year, achieved with one less staff member and without reduction in service levels.

2007/08 Internal Audit Plan

The Board accepted a recommendation by the Board's Financial and Management Audit Committee to approve the internal audit plan for 2007/08.

REPORTS

The Board also addressed further reports:

- Management and financial reports.
- 2006/07 irrigation season review.
- 2006/07 irrigation system delivery efficiency.
- 2006/07 diversion season review.
- Alleged water theft incidents.
- Central Goulburn 1234 automation project.
- Lake Hume land and on-water management plan.
- Mildura Weir upgrade/replacement options.
- Quarterly water trading report to 30 June 2007.
- Electrical incident investigation.
- Maintenance and support agreement for water management system technologies.
- Water Services Committee workshop planning.
- 2007/08 insurance renewal.
- Contingent liability.

Brian Carr
CORPORATE SECRETARY

Russell Cooper
MANAGING DIRECTOR

2 August 2007