



A summary of information and deliberations

PRESENT:

Stephen Mills Chairman	Craig Cook Deputy Chairman	John Brooke OAM Director
Russell Cooper Managing Director	Peter Fitzgerald Director	Claire Pennicard Director
Des Powell Director	Catherine Scott Director	Jeff Huddle Acting 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@gmwater.com.au

The next Board meeting will be held at Tatura on Wednesday 12 December 2007.

Board Meeting Frequency

It was a shorter meeting this month, being only three weeks following the Board's October meeting. The meeting schedule now reverts for the most part to regular meetings on the second Wednesday of each month.

Water Resource Issues

A presentation was made to the Board on current allocations, seasonal outlook scenarios for mid-February 2008 and water resource communications events that have occurred since the last Board meeting.

Delivery volumes are at extremely low levels on both main systems. On the Goulburn system, this could potentially lead to supply problems with Waranga pumping if a late and pent-up demand on the Goulburn system exceeds supply capacity from Waranga Basin. The situation is being closely monitored by management.



Chairman, Stephen Mills, and Manager Water Resources, Graeme Hannan, presenting information on the resource position at the 7 November industry bodies forum

Summary Information Sheet **Board Meeting 154 – 14 November 2007**

The presentation also provided background on matters raised at the 7 November industry bodies forum (attended by four of the Board members and where a proposal to convert delivery efficiency gains to allocations on the Murray system was endorsed), contingency planning, issues arising at the Water Liaison Working Group, and advice to recreational users on likely levels at Lake Eildon at different stages through to Easter 2008.

Operational Staff Management in 2007/08 Low Allocation Year

During this low allocation year Goulburn-Murray Water is aiming to operate with a minimum workforce and to minimise operational costs whilst at the same time maintaining customer services and maximising water efficiency; there is also an underlying concern that workforce capability be retained for when allocations return to normal. Wherever possible vacancies are deliberately being left unfilled and staff are being actively moved and redeployed to areas of need.

The Board noted the management arrangements now in place to address these aims in this difficult 2007/08 irrigation season.

CG1234 and Shepparton Modernisation Projects

The Board addressed reports on the contractual arrangements for these two projects, seeking to expedite works in order to assure the early availability of water savings for Melbourne prior to commissioning of the desalination plant.

Goulburn-Murray Water management has provided considerable assistance to the Department of Sustainability and Environment, supporting it in the development of a business plan for the Foodbowl Modernisation Project. The Chairman, Stephen Mills; also acknowledged (from his role as a member of the Foodbowl Modernisation Project Steering Group) Goulburn-Murray Water's extensive input and provision of project information to DSE in the development of a business plan for the State Owned Enterprise being established for this major project.

Lake Eildon – Point Worner Houseboat Sewerage Upgrade Works

Goulburn-Murray Water operates water-based sewage collection systems at the Jerusalem Creek Marina and Point Worner locations at Lake Eildon. The Board considered a number of options for upgrading the works at Point Worner, which are designed to minimise the risks of sewage spills, reduce occupational health and safety risks and provide an improved service to customers. The Board approved a contract for project works to proceed, completion of which is due by late 2008.

Diversion Metering Program

A report on progress in implementing the revised delivery program for the metering of groundwater and unregulated stream diversions, put in place in March this year, was noted by the Board. Additional resources provided for this program, the option of 3 year payment terms, revised timeline targets and additional communications have helped to progress this project; completion is expected by June 2008.

Asset and Risk Management Strategy

A presentation was made to the Board, providing an overview of the Assets & Technical Services Group and its operations, its major replacement projects and, in more detail, Goulburn-Murray Water's Advanced Maintenance Program and Dam Improvement Program. The presentation highlighted the comprehensive nature of risk-based processes for all asset management programs and the integration of maintenance, renewal and rationalisation programs, all of which have an underlying aim of achieving risk reductions.

Compliance Management

A report on steps that could possibly be taken to gain an increase in penalties for the wrongful taking of water and interference with the corporation's works was considered. Goulburn-Murray Water is concerned that the level of penalties recently being awarded against those found guilty of water theft and other offences under the *Water Act 1989* now bears a diminished relationship to the value of water. As such fines are now considered to have reduced punitive and deterrent effect.

Goulburn-Murray Water has written to the Chief Magistrate pointing out the increased value of water this year and the need for heavier penalties to act as a deterrent; it is also intending to pursue higher penalties for repeat offences. Goulburn-Murray Water has a zero tolerance on water theft.

Board Committees

Membership of the Board's Remuneration Committee was agreed as follows:

Craig Cook	(Committee Chairman)
Stephen Mills	(Committee Member)
John Brooke	(Committee Member)

REPORTS

The Board received further reports:

- Processes for tendering of contracts.
- Mid-Murray storage project.
- Stakeholder relations.

Brian Carr
CORPORATE SECRETARY

Russell Cooper
MANAGING DIRECTOR

22 November 2007