



A summary of information and deliberations

PRESENT:

Stephen Mills
Chairman

Craig Cook
Deputy Chairman

John Brooke OAM
Director

Peter Fitzgerald
Director

Claire Pennicard
Director

Des Powell
Director

Catherine Scott
Director

David Stewart
Managing Director

Peter Guy
Executive Manager
Business & Finance

Brian Carr
Corporate Secretary

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The next Board meeting will be held at Wangaratta on Wednesday 9 July 2008.

Corporate Plan Framework

G-MW is required under the *Water Act* 1989 to present its corporate plan to the Minister for Water by 31 July each year. G-MW's 2008-2013 corporate plan has been developed following a management workshop held in April, discussion at the May 2008 Board meeting and further consideration at a meeting of available directors on 22 May 2008.

At the June Board meeting the Board firmed up on high-level strategies forming the basis of the 2008-2013 corporate plan; it requested that these strategies (together with consideration of strategic issues arising at the Water Services Committee Workshop being conducted over the one and a half days immediately following this Board meeting) be incorporated in a paper for the July Board meeting, at which time the Board intends to finalise and approve G-MW's 2008-2013 corporate plan in readiness for submission to the Minister for Water by 31 July.

2008/09 Prices

Preliminary prices for 2008/09 were discussed by the Board. The ESC's final determination on prices had not been released at the time of the Board meeting on 11 June (its release is expected on Friday 20 June). The Board will consider the matter post meeting and, subject to agreement by directors, it is intended that an out of session resolution be taken in accordance with section 122A of the *Water Act* 1989 to approve 2008/09 prices.

Operating Tariff Criteria 2008/09

The Operating Tariff Criteria sets tariffs in G-MW's districts and groundwater supply protection areas. Significant changes were made to tariff structures for 2007/08 as part of the implementation of water entitlement unbundling, however, no changes to tariff structures are proposed for 2008/09.

The Board approved the Operating Tariff Criteria 2008/09, allowing notice of the resolution to be published, as required, prior to commencement of the year in which it has effect, ie, by 30 June 2008.

Allocation Overuse Policy

With the introduction of the state-wide Water Register, carryover and its associated water accounting processes and the increasing value of water, there is a need for water corporations to establish a consistent approach to the management of overuse of available allocation. Lower Murray Water, FMIT and G-MW have agreed with DSE on a common approach. The Board formalised its approval of the revised policy on overuse and noted that management policy and management procedures are being developed to support the Board's policy.

CG2 Remediation Solutions Package

The Board noted planning underway on the implementation of a solutions package for the CG2 project which aims to rectify 80% of outstanding issues by the start of the 2008/09 irrigation, with the remainder to be addressed and satisfactorily resolved by the winter of 2009. The Board also addressed a number of aspects associated with a claim by CG2 irrigators for losses claimed to have been sustained in the earlier years of the CG2 project.

Internal Audit

The Board accepted a recommendation made by its Financial and Management Audit Committee to re-appoint AFS & Associates Pty Ltd of Bendigo as G-MW's internal auditor for three years commencing 1 July 2008.

Director Water Trading

G-MW has policies and procedures in place relating to the trading of water entitlements by directors and employees. The Board committed to further enhance these arrangements by undertaking to publish in its annual report details of any water entitlements held by directors and to report on G-MW's website each trade undertaken by those directors holding water entitlements.

Interactions with Southern Rural Water

The Chairs of G-MW and Southern Rural Water (SRW) have addressed the concept of establishing a closer affiliation between the two organisations, this to put in place a liaison to assist the two rural water corporations in a coordinated and shared approach to many of the common issues managed by the two water corporations. To this end the Board of G-MW agreed that the matter of a joint forum be further developed with SRW; pending establishment of such forum the Board nominated John Brooke and Peter Fitzgerald as G-MW's representatives.

MoU with NCCMA, City of Greater Bendigo and Coliban Water

The Board resolved to enter into a Memorandum of Understanding with the NCCMA, the City of Greater Bendigo and Coliban Water, the aim of which is to gain a unified approach in the management of the Eppalock catchment and in particular the management of issues associated with the proliferation of farm dams.

Board Inspection Tour to North East

Arrangements for the Board's inspection tour to the north east of the state where it will meet with WSC members and catchment partners were agreed and finalised for Tuesday 8 July; the Board will hold its July Board meeting in Wangaratta on Wednesday 9 July.

REPORTS

The Board addressed further reports:

- Financial reports.
- Coordination with NVIRP.
- FutureFlow Alliance.
- WSC issues management procedure.
- Diversions metering program
- Management reports.
- Welshman's Reef Caravan Park lease.
- West Loddon Water District – division and amalgamation with Normanville Water District.
- Tungamah Bulk Entitlement.
- IAL/ICID membership.

Brian Carr
CORPORATE SECRETARY

David Stewart
MANAGING DIRECTOR

19 June 2008