



Summary Information Sheet

Board Meeting 169

Held in Tatura on Wednesday 11 March 2009

A summary of information and deliberations

Present:

Stephen Mills
Chairman

John Brooke OAM
Deputy Chairman

Catherine Scott
Director

Peter Fitzgerald
Director

Claire Penniceard
Director

Des Powell
Director

Craig Cook
Director

David Stewart
Managing Director

Russell Barnier
Corporate Secretary

For queries regarding this information sheet, please contact Russell Barnier, General Counsel & Corporate Secretary, on telephone 5833 5769 or email russellb@g-mwater.com.au

Board Meetings

The Board has agreed to hold its next meeting in Melbourne to follow on from a planned joint meeting with the Board of NVIRP and a dinner meeting with the NVIRP directors and the Minister for Water, the Hon Tim Holding. The Directors have scheduled several off site Board meetings to areas within the catchment so the Directors can meet with local Water Services Committee members and local business customers. The off site meetings also give the Directors an opportunity to tour G-MW's facilities, such as the infrastructure at Eildon Reservoir, which they will view in the next few months.

NVIRP Coordination Committee meeting

Directors representing the G-MW Board met with their counterparts on the NVIRP Board for a G-MW/NVIRP Coordination Committee meeting. The Board representatives, Catherine Scott and Craig Cook, reported on the meeting. The Committee focussed on the need for the communication of extensive and factual information which could be used by irrigators as the basis for their farm plans. There was also a strong view that financial institutions should be approached and the modernisation process explained in detail to them so they have a thorough understanding of the process and will be familiar with borrowers' issues when they approach their lenders for financial assistance.

Risk identification and assessment

Recently the Board separated the functions of its Audit Committee into two areas – audit and risk, establishing a Risk and Compliance Committee to deal with identification, assessment and mitigation of risks. At the meeting, the Board agreed on a Charter for the Risk Management and Compliance Committee and its first meeting was held. Des Powell is the Chairman of the new Committee, and its other members are Catherine Scott, Peter Fitzgerald and Claire Penniceard.

Groundwater

The Chairman reported on his attendance at a recent Partners Forum meeting in Tatura, which was combined with a CMA meeting. Presented to the meeting were maps of changing groundwater conditions. The Chairman in his report brought up the groundwater issue and presented maps showing a striking difference in groundwater levels in 2008 compared with 1996. He then expressed a general concern that farms sold without water rights and which are dependent on groundwater supplies may be compromising their longer term sustainability.

Corporate Governance & Training register

The Board approved the preparation of a Training register for Directors and General Managers where professional development and governance update events can be individually recorded. This is consistent with the Board's commitment to remain current and to apply appropriate governance procedures in its meetings and general conduct.

Water resource issues

The Executive Manager Water resources advised the following to the Board –

- There have been two allocation reviews since the last Board meeting and there are two reviews left this season (the last on 1 April)
- This season has seen the lowest volume of water ever allocated
- The end of the gravity irrigation season occurs on 15 May
- A review of carry-over by the Minister will allow up to 50% of water shares to be carried over to the 2009/10 season, and consultation with the Water Services Committees is about to begin on proposals for a final model of the 2010/11 season, taking into account the review outcomes
- Next season outlook is that availability will be dependent on future inflows as there are no current reserves and seasonal inflows are extremely variable

Springhill Groundwater Reserves

The Board noted that the process for implementing a new Groundwater Management Plan for the Spring Hill WSPCA should be completed by February 2011 provided the Minister agrees to appoint a consultative Committee by August 2009.

Pending the introduction of the Plan, the Board has considered information on the groundwater resources in the Spring Hill WSPCA and agreed that, when considering each application for a licence under section 51 of the Water Act (the Act) to extract water from a depth greater than 70m within in the area covered by the Plan, Goulburn-Murray Water should take the initial view in accordance with section 40 of the Water Act (the Act) that such applications should not be approved.

G-MW Bushfire Recovery Action Plan

The Board noted that water contamination through ground runoff in burnt areas was an inevitable consequence of bushfires in catchment areas, The Board accepted that there is little that can be done other than advise customers of the situation and potentially release flows from the Goulburn Water Quality Reserve to dilute these contaminations in the Goulburn River. Such releases would be made in accordance with agreed protocols between G-MW, DSE and the GB CMA.

NVIRP Project Status

Murray Smith, the NVIRP Chief executive, presented to the Board on the NVIRP project status. From the report, the Board noted the following -

- There will be a connections workshop later this month with representatives from DSE
- The DSE water saving Guidelines should be finalised by the end of the month
- Winter works commence on 16 May
- it is in the irrigator's best interests to have a forward farm plan, which NVIRP will assist irrigators develop on a 1 on 1 basis, employing additional staff to achieve this
- Communication with irrigators should provide sufficient facts in order to make an informed decision around connections and assist in the development of their farm plan

Water Plan Pricing Update

The Board noted the consultation process with each of the Water Services Committees on the pricing model for 1009/10. Discussions with and the recommendations of the Committees will be discussed and the final pricing model determined at the next Board meeting.

The Board understood that the consultation process and the responses from the Committees reflected a positive and mature approach to pricing and thanked the members of the Committees for their assistance and input.

OH&S Board Induction

The Acting OH&S Coordinator attended the Board and led the Directors through the OH&S induction procedure, during which the Board noted –

- The G-MW OH&S management system
- The SafetyMAP audit tool to help manage workplace health & safety
- Roles and responsibilities of management and Board
- Reinforcement of OH&S messages through the OH&S Policy.

17 March, 2009

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