

# LGSA Water Management Conference

## 11 September 2009



## The Lower Macquarie Water Utilities Alliance Progress Report

Stewart McLeod  
Director of Technical Services  
Dubbo City Council and  
Chair, NSW Water Directorate



# OUTLINE

- 1. Genesis of LMWUA**
- 2. Structure & formation of alliance**
- 3. Alliance statistics**
- 4. Achievements to date**
- 5. Future projects**
- 6. Advantages of our approach**

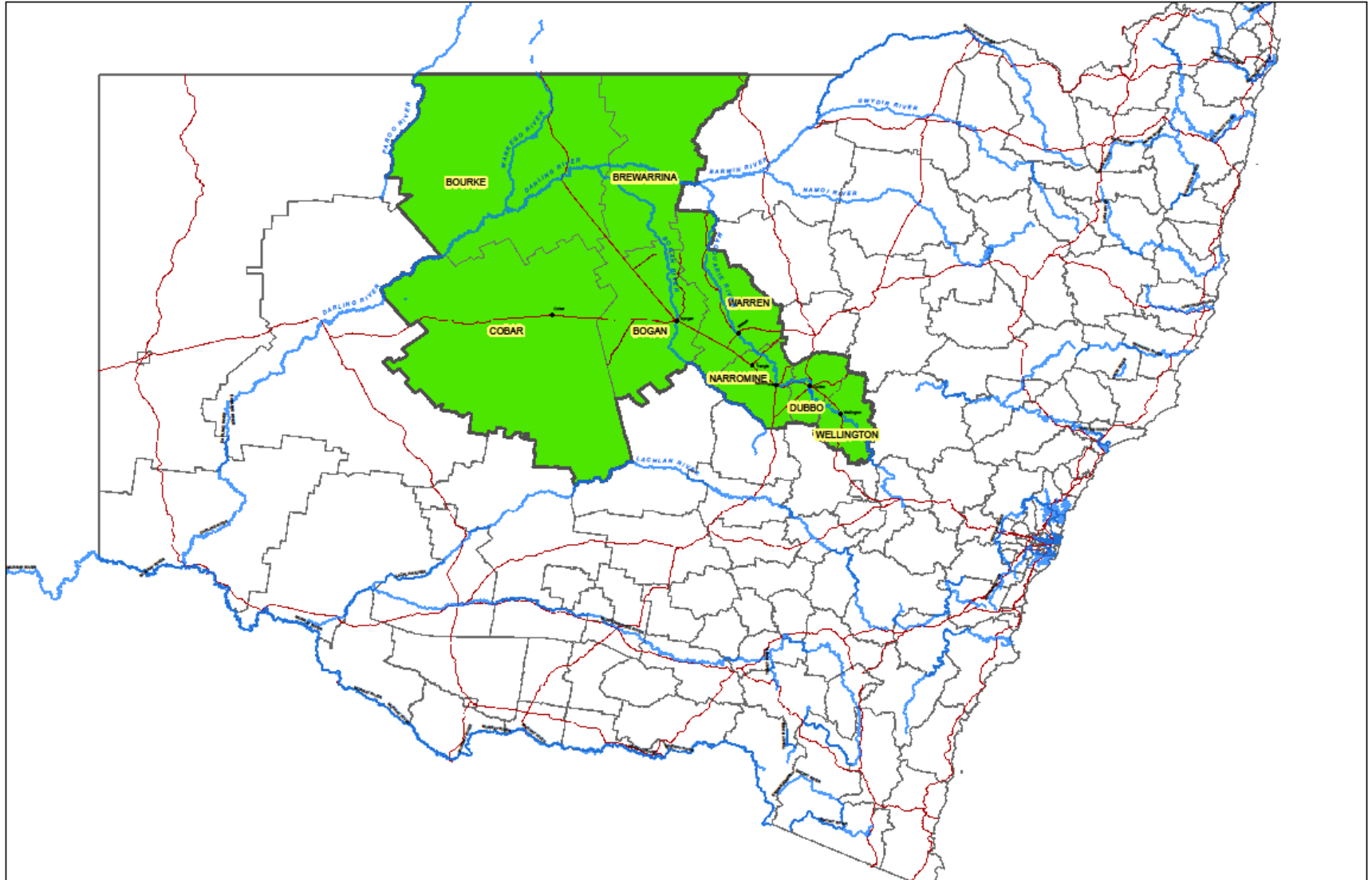
# **1. GENESIS OF LMWUA**

- **Initiative developed in response to Hon. Nathan Rees, MP announcement of Inquiry at Water Management Conference in August 2007**
- **Councils in Lower Macquarie Valley met in January and February 2008 to discuss options**
- **Agreed to develop a Mandatory Alliance Model**

- **Councils involved initially:**
  - **Bogan Shire**
  - **Cobar Shire**
  - **Dubbo City**
  - **Narromine Shire**
  - **Warren Shire**
  - **Wellington Shire**

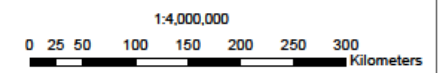
- **In March of this year the Alliance received a formal approach from BOURKE and BREWARRINA Shire Councils to join the LMWUA.**
- **On 26 May 2009 a meeting of the Alliance Board formally admitted these two new member Councils.**

# COUNCILS OF THE LOWER MACQUARIE WATER UTILITY ALLIANCE



Produced by Dubbo City Council GIS - August 2008  
(Original Size A3)

- Major Rivers
- Alliance Area
- Major Roads



## **2. STRUCTURE & FORMALISATION OF ALLIANCE**

- **Deed of Agreement signed by 6 original Councils on 1 July 2008**
- **Deed covers:**
  - **Vision Statement**
  - **Objectives**
  - **Work plan (4 Year reviewable)**
  - **Term of Agreement – 4 years renewable**
  - **Structure of Alliance**

- **Access to Property, Data & Records**
- **Intellectual Property**
- **Reporting**
- **Fees & Charges**
- **Termination**
- **Deed developed under S 355 of Local Government Act**

- **Vision**

**“The member Councils of the Lower Macquarie Valley (within the Central West and Western Catchment Areas) commit to provide a unified approach to the sustainable delivery of water supply and sewerage services, and to achieve and maintain gazetted Best Practice by the earliest feasible date”.**

- **Voting Rights**

- **Board has two representatives from each Council (1 Councillor, 1 Senior Staff member)**
- **Equal representation irrespective of Council size.**

- **Operating Costs**

- **Cost of joint projects levied on a per connection basis.**
- **Cost of projects for the benefit of one member only is the responsibility of that Council only.**

# 3. ALLIANCE STATISTICS

Size Rank	Council	W/S Connected Properties 07/08		Total W & Sge Revenue (Excl Cap Wks Grants (07/08))		% Age Compliance with BPM Criteria (07/08 Perf. Report)		
		Number	%Age	\$ Mill	% Age	W/S	Sge	Comb.W/Sge
1	Dubbo	15,630	59.2	17.97	60.6	100	100	100
2	Wellington	2,860	10.8	3.15	10.6	100	100	100
3	Cobar	2,160	8.2	1.877	6.3	60	56	58
4	Narromine	2,090	7.9	1.94	6.6	70	89	79
5	Bourke	1,180	4.5	1.783	6	70	22	46
6	Bogan	1,040	3.9	1.112	3.8	60	44	52
7	Warren	960	3.7	0.888	3	80	44	62
8	Brewarrina	480	1.8	0.909	3.1	40	11	25
<b>Totals/ Averages For Alliance</b>		26,400	100	29.629	100	72	58	65

Source: “2007/08 NSW Water Supply and Sewerage Benchmarking Report” (DWE)

- **The Alliance Councils cover 18% of the LAND AREA of New South Wales, but**
- **Serve only 3.4% of the WATER CONNECTIONS in non-metropolitan New South Wales**

## **4. ACHIEVEMENTS TO DATE**

- **Execution of the Deed of Agreement on 1 July 2008**
- **Appointment of a Board of Management, comprising one Councillor and one Senior Staff member of Councils**
- **Establishment of a Technical Committee**

- **Development of Secretariat & Project Management Services**
  - **Secretariat Services provided by Dubbo City Council**
  - **An Acting Project Officer appointed in July 2008, pending appointment of a Project Manager**

- **Resource Sharing**
  - **Adoption of some common operational standards, including uniformity in application of levels of water restrictions**
  - **A specification has been developed for a regional Reservoir Cleaning Contract**

- **Best Practice Compliance**
  - **Identification of gaps in compliance by member Councils with Best Practice management and documentation completed**
  - **Completion of Strategic Business Plans by Cobar, Bogan and Brewarrina Shire Councils**
  - **Completion of Development Servicing Plans (DSPs) by Warren, Cobar, Bogan and Narromine Shire Councils**
  - **Cobar Shire Council went to full cost recovery water pricing in 2009/10**

- **Programs & timelines put in place to achieve Best Practice Management by all Councils**
- **Consultant engaged to complete following Regional Best Practice Management Plans for the Alliance:**
  - a) Regional Integrated Water Cycle Management Plan**
  - b) Regional Demand Management Strategy**
  - c) Regional Drought Management Plan**

- **Members jointly collaborated in the preparation of the 2007/08 and 2008/09 Performance Reports for the State Government**
- **An Overall “Alliance Resource Sharing and Staff Development Policy” is being developed**
- **Special Interest Groups**
  - **Two “Special Interest” Groups, or Sub-Committees have been formed to further the knowledge sharing and problem solving objectives of the Alliance**

- **The two Groups are:**
  - **A Compliance and Statutory Reporting Group, whose primary function will be to work together in developing annual Performance Reports and EPA Licensing Reports**
  - **A Works Officers & Supervisors Group, whose functions will be to mentor each other, improve procedures, implement ADWG 2004 Drinking Water Framework, share parts and materials.**

- **The teleconferences chaired by DWE on drought and town water supply issues in the Macquarie Valley have been hosted twice to coincide with meetings of the Alliance Board and Technical Committee.**
  
- **Already organising joint meetings with:**
  - a) Save Water Alliance**
  - b) RAMROC**
  - c) Jazz Water (Albert Priest Channel Upgrade proponent)**
  - d) DWE**

# 5. FUTURE ALLIANCE PROJECTS

- **Development of drinking Water Quality Framework to ADWG 2004 standard across all 8 Councils**
- **Extension of web-based Loftus Asset Management Software from Dubbo to all other Alliance Councils to provide:**
  - **asset management analysis**
  - **better strategic planning**

- **Aiming to work with DWE (now DECCW) to improve “bindingness” of the Alliance**
- **Have already received a formal advice from the MARSDENS LAW GROUP dated 30 July 2009 which concluded:  
“.....it seems to us that the LMWUA could address the concerns (as identified by the Inquiry) by revising the provisions of the current Deed of Agreement.....”**

- **The Alliance now intends to engage MARSDENS to modify the current Deed of Agreement to:**
  - **improve its “bindingness”, and**
  - **include the two new councils (Bourke and Brewarrina)**

- **Management and Planning**
  - **The Technical Committee is developing policies for the joint procurement of materials and construction contractors**
  - **Processes for peer reviews of Member Councils' Performance Reports and Pricing Structures are being developed**
  - **An operational Budget has been prepared for the period 2009/10 and 2010/11. Very cost effective when project costs are excluded: \$60K per annum.**

# **6. ADVANTAGES OF OUR APPROACH**

- **Opportunity to pool resources, reduce duplication and form a common platform to develop initiatives**
- **Staff development**
- **Knowledge & resource sharing**
- **Catchment based approach**
- **Uniformity of approach to resource management**
- **Cost effective delivery of Best Practice – annual budget of \$60k is forecast initially.**

- **Cost savings by buying consultancy services in bulk (eg. will get  $8 \times 3 = 24$  projects for approximately \$200K)**
- **Maintenance of community ownership & involvement**
- **Co-operation instead of coercion**
- **Integration, in the true sense of the word**
- **Based on proven models already in use for Regional Library Services, Regional Organisations of Councils (ROC's) and Weight of Loads Groups.**

**ANY QUESTIONS PLEASE?**