

FNQ QWRAP Meeting No. 10 Minutes

Date: Friday 12 February 2016

Time: 10am – 2pm

Location: Cairns Regional Council - level three Committee meeting room.

1. Welcome and Apologies.

Name	Council/Department	Attendance
Steve Cosatto	FNQROC	✓
Arron Hieatt	LGAQ	✓
Geoffrey Smart	CCRC	✓
Hancock Amanda	FNQROC	Entered meeting at 11:15 12:15
Irvine Darlene	FNQROC	Left meeting 11:45
Morris Hamill	MSC	✓
Graham O'Byrne	CRC	Left meeting 10:10
Page Simon	CRC	Left meeting 10:10
Ray Kirkman	Croydon	✓
Wouter Van der Merwe	DSC	✓
Wuth Mark	CRC	✓
Steven Porter	CRC	✓
Rohana Samarasekera	ESC	Left meeting 1:45
Eriks Zesers	CRC	✓
Ted Aldred	DEWS	Left meeting 10:40
Puspha Ginge	DEWS	Left meeting 10:40
Steve Albrecht	CRC	Left meeting 11:15
Apologies		
Shahab Katebi	YASC	
Brad Bakker	TRC	
Chris Mitchell	TRC	
Mark Sexton	TRC	
Michael Czarnecki	CSC	
Rob Fearon	Qld Water	
'Robert Fenn'	Cook	
Ash Cook	Cook	

2. Introduction of Ted Aldred, Manager Assessment and Compliance, Dept of Energy and Water Supply (approx. 20-30mins).

- DWQMP's - Common reporting date for FNQ QWRAP councils:
 - Review due Mar 16
 - Audits due June 30, 2017
- Improvement Plan Actions, suggested, that councils provide a brief regarding possible water treatment scheme upgrades/new cap ex.

- Performance Plans Steering Committee, first meeting 10 March 2016, Mark Wuth (CRC) on committee.

ACTION: Mark Wuth (CRC) to provide feedback on behalf of councils at Performance Reporting KPI Steering group meeting 10 March. (Mark to send email request to members)

- Water Quality Incidents Reporting – DEWS request Councils send investigation report after resolving incident.
- DEWS to scheduled visits on a needs basis. With the objective to assist providers with compliance and reporting. DEWS are willing to conduct informal workshops.

ACTION: Steve Cosatto to distribute DEWS presentation to group. – refer attachment.

General discussion: Regarding common reporting dates and possible regional third party audits. Arron Hieatt advised that Toowoomba Regional Council was currently investigating options for auditor training within council. Arron to provide updates to group as information became available.

ACTION: DEWS (Ted Aldred) to forward current link to register of pre-qualified certified auditors.

ACTION: Member councils to advise ROC, numbers they would be able to nominate for Certified Auditors course.

Wouter Van der Merwe commented that DSC had previously engaged Michael Lawrence (Bligh Tanner). As Michael was previously with DEWS and a certified auditor, he thought Michael would be well placed to advise councils regarding a collective audit.

Geoff Smart commented he appreciated the effort that DEWS makes to attend meetings and provide advice and believes that similar presentations from EHP would also be beneficial. General consensus was that current relationship between councils and EHP was poor.

ACTION: Darlene Irvine to contact Rob Lawrence (EHP) to attend group's next meeting.

3. **Presentation from CRC Steven Albrecht Asset Coordinator Water and Waste – Replacement Rates for Water and Waste Water Assets.** - refer action from previous meeting CRC to provide unit rates for Water and Waste Water current replacement rates.

ACTION: Steve Cosatto to CRC distribute - Replacement Rate for Water and Waste Water Assets presentation to group.

4. **Regional Bio-solids Investigation Project - Update from Amanda Hancock FNQROC**

Bio-solids

- Inaugural meeting FNQROC Regional Bio solids Disposal & Beneficial Reuse - Sub-committee Meeting No. 1 (January 29, 2016).
- Background, setting the Terms of Reference, general discussion.
- Objective of Steering Committee. See AH
- Key Project phases submitted to LGAQ for funding application target date Dec 16
- Cost benefit analysis of current situation- collection frequency, tonnages etc
- In scope/out of scope.
- Draft MOA
- Conflict and confidentiality documents.
- Morris Hamill identified Swiss farms as an organisation to include in market research.

ACTION: Morris Hamill to provide contact details to Swiss Farms

- Geoff Smart identified Celtic Construction & Utility Services - CCUS (Tully) as an organisation to include in market research.

ACTION: Geoff Smart to provide contact details to Celtic Construction & Utility Services - CCUS.

- Next meeting Bio solids Disposal & Beneficial Reuse - 17 March Tolga.

Pumps

Amanda advised:

- Project discussed following the Bio-solid meeting.
- Group acknowledged the large range and use of pumps.
- Agreed action was that AH talk to market initially to identify possible solutions, quantities required, after sales service available, applicable pump types and purpose.

ACTION: Amanda Hancock to provide Bio-solid and Pump research update at FNQ QWRAP meeting Friday 20 May.

5. Review of ACTIONS from previous meeting:

ACTION	Org Responsible	Complete
Councils to provide contact details, to Amanda Hancock, of representatives for the Bio-solids technical committee.	All councils	√
Amanda Hancock to facilitate meeting for Bio-solids technical committee group, Amanda to provide terms of reference to next QWRAP meeting.	FNQROC	√
Rob Fearon to provide a short summary of the bio-solids studies done by FNQROC and the WIM Alliance to highlighting some of the difficulties faced in regional Queensland.	QLD Water	√
Rob Fearon to forward current informal arrangements from other QWRAP groups for consideration. - RAPAD group (the Outback Regional Water Alliance Mou, refer Appendix E, and Constitution, refer Appendix F) and also the Whitsunday Isaac Mackay - WIM Water Alliance agreement). Documents forwarded out with previous minutes.	QLD Water	√
To begin the process of identifying priorities within region, each council to identify three priorities for group discussion – at February meeting (see item 9 this agenda).	All councils	To be completed at Meeting
Steve Cosatto to develop and distribute Statements of Intent (SOI) to members for input. SOI's would include criteria such as: (refer page 4 previous minute)	FNQROC	√
Steven Porter to liaise with Steven Cosatto regarding CRC unit rates for Water and Waste Water current replacement rates. (See item 3 this agenda).	CRC and FNQROC	√

6. Terms of Reference FNQ QWRAP –

General discussion:

- FNQ QWRAP well placed to further develop collaborative opportunities.
- QWRAP group currently fairly responsive to needs as they arise. There is an existing collaborative environment where group can bring ideas and issue for resolve.
- Utilising a separate Action Statement and Plan to highlight completed projects and current initiatives.

- Currently involved with collective projects – hypochlorite liquid alum, collective training, resource sharing - SCADA etc
- All agreed a need for a Chair and a separate secretariat role:
- Chair required for advocacy and group representation at state and federal levels, nominations to be held at next meeting
- Etheridge should be included as QWRAP is part of the State's water group.
- Group consideration of a name change from FNQ QWRAP.

Group reviewed document and provided input.

ACTION: Steve Cosatto to finalise draft ToR and distribute to councils prior to next meeting.

ACTION: As per FNQROC communication strategy each member council responsible to circulate Draft document to relevant internal council officers for comment.

ACTION: Each Council to review Action Statement and Plan to identify opportunities for collaboration, these opportunities to be discussed at next meeting.

7. General discussion – Member councils to advise group of three Water or Waste Water priorities - (to identify synergies or opportunities for collaboration).

- Item to be carried over to next meeting.

8. Update from LGAQ – Arron Hieatt.

- Following election each councilor will have a compendium which will be council specific and focus on Water & Waste levels of service pricing etc.
- LGAQ to write to CEO's to advise of Councilors workshops and elected member updates (One day workshop for water planned for second half of the year).
- LGAQ have invited Paul Simshauser (DG Department of Energy and Water Supply) - to visit regional areas.
- LGAQ update (Sun Water Bulk Pricing) to FNQROC Board refer - item 10 - **Refer Appendix A.**

9. General Business:

- A) Cairns Regional Council Update:
Business Advisory Group - Mark Wuth.
- Introduced Eric Zesers (contact details to be distributed).
 - Eric's role to identify opportunities to support other councils.
 - Signed MOU to support MSC SCADA. Fee for service cost recovery.
 - Recognise they have a role to play being the largest provider.
 - CRC to distribute a capability statement as to what is options are available to councils, however CRC request feedback on capability statement regarding other ideas - training pool of operators to do relief work,
 - Have had early discussions with Department of State Development to identify funding support for initiatives with indigenous councils.
 - Steven Porter advised use of re-glass to utilise for bedding down of pipes. starting to communicate to contractors that requirement,
- B) CCRC: Geoff Smart:

- Matt Driver 2IC filter through systems for data storage, attempting to summarise data - what are other councils doing for SCADA storage general discussion.
 - Off the shelf HACH package which brings together all data. Can be linked to mobile data.
 - Geoff back flow prevention curious as to how other councils are managing their responsibilities. General discussion.
- C) CTM update (if any) – Cairns Regional Council – none at this stage.
- D) Proposed QWRAP Meetings, 2016.

Venue	Date
Cairns	20 May
Cairns	12 August
Cairns	4 November

10. Close meeting 2:15pm.

Summary of Actions:

ACTION	Org Responsible
Mark Wuth (CRC) to provide feedback on behalf of councils at Performance Reporting KPI Steering group meeting 10 March. (Mark to send email request to members)	CRC
Steve Cosatto to distribute DEWS presentation to group.	FNQROC
DEWS (Ted Aldred) to forward current link to register of pre-qualified certified auditors.	DEWS/FNQROC
Member councils to advise ROC, numbers they would be able to nominate for Certified Auditors course.	All Councils
Darlene Irvine to contact Rob Lawrence (EHP) to attend group’s next meeting.	FNQROC
Steve Cosatto to distribute CRC Replacement Rate for Water and Waste Water Assets presentation to group.	FNQROC
Morris Hamill to provide contact details to Swiss Farms	MSC
Geoff Smart to provide contact details to Celtic Construction & Utility Services - CCUS.	CCRC
Amanda Hancock to provide Bio-solid and Pump research update at FNQ QWRAP meeting Friday 20 May.	FNQROC
Steve Cosatto to finalise draft ToR and distribute to councils prior to next meeting.	FNQROC
As per FNQROC communication strategy each member council responsible to circulate Draft document to relevant internal council officers for comment.	All Councils
Each Council to review Action Statement and Plan to identify opportunities for collaboration.	All Councils

**Appendix A -- Extract from LGAQ Policy Executive Update for FNQROC Meeting – Monday
8 February 2016 - Sun Water Bulk Water Pricing.**

10. SunWater Bulk Water Pricing

Councils have had bulk water contracts with SunWater and its precursors for decades. Typically the terms of the contracts are negotiated individually, and the terms are thought to vary across the State. While the State has not announced a formal policy position or direction to SunWater about urban water contracts, the uncertainty is hindering councils from making future budget and planning decisions.

In addition, reviews by the Queensland Competition Authority (QCA) have moved irrigations schemes towards full-cost pricing, and a similar move with council bulk water contracts could potentially have significant price increases. Another QCA review of these schemes was expected in 2016, but Jacobs Consulting believes the review has been delayed based on successful lobbying from the agricultural industry. The devolution of several schemes to local management is on-going and would represent a shifting asset base if not resolved prior to review.

In June 2015 South Burnett Regional Council submitted an item to the LGAQ Policy Executive, requesting the Association to make representations to the State regarding a formal position on bulk water pricing. In response to the Policy Executive's support, the Association engaged Jacobs Consulting to draft an options paper. The engagement capitalises on the experience of Angus MacDonald, who was the principle in the Queensland Competition Authority's review of the SunWater pricing for irrigation schemes in 2012.

In early November the LGAQ also contacted the CEOs for each of the councils that currently have contracts with SunWater to obtain their authorisation for SunWater to speak to the LGAQ about contract

details and to provide pricing information. The data is being used to assess the impact of the proposed policy options on current and future bulk water prices.

Jacobs Consulting finalized their report in early January 2016, and made 14 recommendations in regards to advocacy the LGAQ should take on SunWater's pricing policies. Notable among the recommendations is that the QCA, or other independent entity, should review SunWater's urban water schemes in addition to irrigation schemes. The partial economic review of the government-owned corporation was found to be creating potential opportunities for cost-shifting to local governments without external scrutiny.

The paper also asserted that SunWater's current Regulatory Asset Base valuation is flawed, based on Australian Competition and Consumer Commission pricing principles cited in SunWater's own papers presented to the QCA. A revision of SunWater's Regulatory Asset Base, and review of other components of SunWater's pricing could have a strong downward pressure on bulk water pricing for councils.

The LGAQ has met with the Director-General and Deputy-Director General of the Department of Energy and Water Supply to discuss the paper, and secure agreement to work with the Government to respond to issues identified in the report. The Department agreed to work with LGAQ to develop and formalise a position on SunWater's bulk water pricing.

The Association has also convened a working group of interested councils to consider the options and propose a formal policy position on 27th January. This position will be forwarded to the Water and Sewerage Advisory Group in early February, and ultimately by the Policy Executive at its next meeting.

LGAQ Lead Contact for this matter: Arron Hieatt, Senior Advisor – Water and Sewerage Infrastructure