

EAST GIPPSLAND WATER

**MINUTES OF THE MEETING OF THE BOARD OF THE EAST GIPPSLAND WATER CORPORATION
HELD AT BAIRNSDALE ON 19 SEPTEMBER 2017**

PRESENT:

Directors:

Joanne Booth (Chairperson), Michelle Dowsett, Therese Tierney, Richard Elkington, Angela Hutson, Bruce Hammond (Managing Director).

In Attendance:

Item 2.1 onwards: Louise Holden (Executive and Board Operations Officer)

Item 3.2 onwards: Mathew Scott (Acting Executive Manager Business), Elaine Mowat (Acting Executive Manager Operations), Lara Caplygin (Executive Manager Strategy), Carol Ross (Executive Manager Customers), Jenny Gregory (Executive Manager Organisational Development), Dean Boyd (Executive Manager Infrastructure).

Apologies: Gail Morley, Steve Bird, Bill Deveney

1. CHAIRPERSON'S OPENING

The Chairperson opened the meeting at 8:42am and reported on:

- The outcomes of the Victorian Water Corporation Director appointment process, with three new directors being appointed to the EGW board from 1 October 2017
- Board committee membership which will be determined at the October board meeting
- Signing of the Gippsland Regional Partnership Alliance by board chairs and managing directors
- The Vicwater annual conference which offered an interesting program and was well attended
- Receipt of correspondence from the Minister for Water and Police regarding EGW's annual Corporate Plan.

The Managing Director reported on:

- The recently appointed Secretary of the Department of Environment, Land, Water and Planning, John Bradley commencing in the role this week
- The value of the cultural awareness program recently implemented by East Gippsland Water involving all directors and employees
- Implementation progress of Water for Victoria initiatives.

2. BOARD OPERATIONS

2.1 DECLARATION OF PECUNIARY AND CONFLICT OF INTERESTS & GIFTS REGISTER

The Managing Director declared a pecuniary interest in item 3.1.
No gifts have been offered to or received by Directors.

The Board's Register of Interests record was noted.

2.2 CONFIRMATION OF THE MINUTES OF THE PREVIOUS MEETING

The Board resolved that the Minutes of the meeting of the Board held on 22 August 2017 be confirmed.

2.3 ACTION LIST

The Board resolved to note the action list

2.4 BOARD CALENDAR & BOARD ANNUAL AGENDA

The Board noted the proposed date of 30 October 2017 for the Treasurer's dinner. The date for the Chairs' forum on 6 October was discussed with confirmation of the date to be sought. Director Dowsett noted that she will be an apology for the October Board meeting.

The Board calendar and annual agenda were noted.

2.5 BOARD EXCEPTION REPORT

The Board Exception Report was noted.

2.6 MINUTES OF THE MOU MEETING WITH EAST GIPPSLAND SHIRE COUNCIL

The Chairperson addressed the report concerning the annual meeting between East Gippsland Water (EGW) and the East Gippsland Shire Council. Reference was made to the review of the Memorandum of Understanding following EGW new director appointments in October.

The Board resolved to note the report.

3. MATTERS FOR DECISION

3.1 PEOPLE AND REMUNERATION COMMITTEE

(The Managing Director and Executive and Board Operations Officer were not present for this item)

The Chairperson presented the results of the Managing Director's performance review for 2016/2017, noting the extent of achievement against Key Performance Indicators. The Board also discussed the results of the staff satisfaction survey with some variations from prior years and progress with the 2018 Enterprise Bargaining Agreement.

The Board resolved to:

- note the report and unconfirmed minutes of the People and Remuneration Committee meeting held on the 4 September 2017
- note the results of the People Matter Survey
- accept the Committee's annual agenda as at attachment one.

3.2 CUSTOMER COMMITTEE

The Executive Manager Customers addressed the report and the unconfirmed minutes of the customer committee meeting held on 13 September 2017. Discussion was held regarding the Committee's endorsement message for the 2018 Price Submission.

The Board resolved to:

- note the report and unconfirmed minutes of the Customer Committee meeting held on the 13 September 2017
- accept the Customer Committee's 2018 Price Submission endorsement message
- request that the Chairperson write a letter of thanks to the Customer Committee's Chairperson, expressing the Board's appreciation for the Committee's contribution on the preparation of the price submission

3.3 FINAL PRICE SUBMISSION

The Executive Manager Strategy addressed the report concerning the final draft price submission. A presentation on the recent activity, outcomes of workshops and the next steps was provided. The Board considered the price submission document at length and discussed the standard PREMO rating and the Board attestation.

The Board resolved to:

- **note the report**
- **approve the final price submission subject to the amendments highlighted by the Board and noting that**
 - o further formatting improvements will be completed prior to submission
 - o a final internal review on key information and supporting documentation will be completed prior to submission to the Essential Services Commission
 - o the outcomes of the final round of community engagement will be incorporated
 - o final recommendations from the Customer Committee and their endorsement will be included
- **attest that the price submission meets the Essential Services Commissions requirements**
- **congratulate all staff involved in the process over the last two years on a job well done.**

3.4 AUDIT AND RISK COMMITTEE

The Audit and Risk Committee Chairperson addressed the report and the unconfirmed minutes of the meeting held on 21 August 2017. Reference was made to the changes to the internal audit plan and the role of the board in endorsing the plan.

The Board resolved to:

- **note the report and unconfirmed minutes of the meeting held 21 August 2017**
- **adopt POL 044, Accounting Policy as at attachment two**
- **accept the Committee's Annual Agenda as at attachment three**

3.5 INFRASTRUCTURE OPERATIONS AND ENVIRONMENT COMMITTEE

The Infrastructure, Operations and Environment Committee Chairperson addressed the report and the unconfirmed minutes of the meeting held on 12 September 2017. Items discussed were:

- The Committee's request for management to report to the Board on the outcomes of the Efficient Government Buildings project
- The Bairnsdale Wastewater Treatment Plant – Capital Augmentation program chart to be provided to the Board for information at the October meeting
- The change of name in our external engineering services contract provider
- The Stantec Annual Performance Report being available for Directors on the Board portal.

The Board resolved to:

- **note the report and unconfirmed minutes of the meeting held 12 September 2017**
- **accept the Committee's Annual Agenda as at attachment four**
- **note the change in name of our External Engineering services contract provider from MWH to Stantec.**

3.6 WATER QUALITY ANNUAL REPORT

The Acting Executive Manager Operations addressed the Water Quality Annual Report for 2016/17. The Board noted that all results were fully compliant.

The Board resolved to:

- **note the report**
- **approve the 2016/17 Water Quality Annual Report for submission to the Department of Health and Human Services**

3.7 HSE MANAGEMENT SYSTEM REVIEW

The Executive Manager Organisational Development addressed the report, which the Board considered.

The Board resolved to:

- **note the annual HSE Management Systems review for 2016/17**
- **adopt Policy 024, Health Safety and Environment as at attachment five.**

3.8 BOARD STRATEGIC PLANNING SESSION UPDATE

The Board and Executive Operations Officer addressed the report regarding the agenda and presenters for the Board strategic session scheduled for November 2017. The Board was briefed on confirmed presenters and potential replacements for presenters that have declined.

The Board resolved to:

- **note the report**
- **approve Treasury Corporation Victoria be included as a presenter**
- **approve Executive Managers attendance at the Strategy meeting.**

4. MATTERS FOR DISCUSSION

4.1 MANAGING DIRECTOR'S STRATEGIC UPDATE

The report was taken as read.

The Board resolved to note the report.

5. MATTERS FOR NOTING

5.1 FINANCIAL REPORTS- Period to 30 August 2017

The Acting Executive Manager Business addressed the report with particular reference to the 2017/18 Financial Accommodation Levy (FAL) rating received being an AA credit rating. It was noted that the corporation is one of only three Victorian water corporations to achieve the highest credit rating available.

The Board resolved to note the report.

5.2 ACTS, REGULATIONS AND MINISTERIAL DIRECTIONS

The report was taken as read.

The Board resolved to note the report.

5.3 HEALTH, SAFETY & ENVIRONMENT REPORT

The report was taken as read.

The Board resolved to note the report.

5.4 OPERATIONS REPORT

The Acting Executive Manager Operations addressed the report noting that river flows are continuing to be monitored closely.

The Board resolved to note the report.

5.5 INFRASTRUCTURE REPORT

The report was taken as read.

The Board resolved to note the report.

6. MEETING CLOSE

6.1 BOARD MEETING EVALUATION

Director Dowsett led the evaluation of the September Board meeting observing that the meeting was well run and noting the extensive work and quality of the paper on the price submission.

The Chairperson recognised the service of directors Elkington, Morley and Tierney over many years and thanked them sincerely for their commitment and significant contributions to the Board.

Director Elkington and Director Tierney also reflected on their experiences as directors of the Board.

The Board resolved to:

- **minute its recognition of the outstanding service and contributions of departing Directors Richard Elkington, Gail Morley and Therese Tierney.**

7. NEXT MEETING

The Board confirmed that the next meeting will be held on Tuesday 17 October 2017 in Bairnsdale.

The meeting closed at 11:56am.

Confirmed: _____ Joanne Booth, Chairperson

Chairpersons initials
