

**EAST GIPPSLAND WATER**

**MINUTES OF THE MEETING OF THE BOARD OF THE EAST GIPPSLAND WATER CORPORATION  
HELD AT BAIRNSDALE ON 20 FEBRUARY 2018**

**PRESENT:**

**Directors:**

Joanne Booth (Chairperson), Michelle Dowsett, Steve Bird, Tim Weight, Susan Taylor, Ross Passalacqua, Bill Deveney, Bruce Hammond (Managing Director).

**In Attendance:**

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

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

**Apologies:** Angela Hutson,

**1. CHAIRPERSON'S OPENING**

The Chairperson opened the meeting at 9:02 am, noting attendance at the VicWater Chairs' Forum during February, with a number of sessions led by senior DELWP representatives.

- Andrew Cooney provided an update on the executive remuneration review, the Directors Development Program and noted the proposal to discuss sustainable water strategies at the next forum
- Secretary, John Bradley attended the Forum, providing his perspectives around empowerment of boards to deliver and balancing regulatory burden. The Secretary is planning to engage with all boards, chairs and managing directors in the coming months.
- Other items discussed at the Forum included the Board Performance Review process, opportunities to better integrate planning and integrated water management frameworks, a diversity and inclusion update and a planned workshop in April to review the VicWater Plan.

The Managing Director also reported on:

- Presenting at the Essential Services Commission public meeting held at Bairnsdale during February. The meeting was attended by the executive and a number of other corporation employees, representatives of the customer committee, commission staff and a customer.
- Attendance and presenting at the Water Services Association of Australia members meeting in Adelaide during February.
- Advice received from DELWP that it has recommended to the Minister that the time for lodging corporate plans be deferred to 29 June 2018

Chairpersons initials

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- A luncheon incorporating a forum session is being planned for May 2018, as part of the Corporation's year-long Manager Development Program as an opportunity for emerging leaders to engage with local community leaders. Attendance of some directors will be valued, subject to availability and directors will be approached in due course.
- At the suggestion of Director Passalacqua, the board discussed and agreed to the inclusion of an occupational safety item on future board meeting agendas – Safety Share.

***Item 3.1 was considered at this time***

## **2. BOARD OPERATIONS**

### **2.1 DECLARATION OF PECUNIARY AND CONFLICT OF INTERESTS & GIFTS REGISTER**

Bruce Hammond declared a conflict of interest at 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**

A question was raised relating to the organisational cultural measures and the need to have a measure of gender pay equity. As the measures are to be reviewed by the P&R Committee in March, it was suggested this measure be considered by the committee at their March meeting.

**The Board resolved that the Minutes of the meeting of the Board held on 19 December 2017 be confirmed.**

### **2.3 ACTION LIST**

The Board discussed the action list with reference to mobile phone use, it was requested that the section of SOP 143 on mobile phone usage be circulated to directors for information.

**The Board resolved to note the action list**

### **2.4 BOARD CALENDAR & BOARD ANNUAL AGENDA**

The Chairperson requested that information in relation to IWA conferences be distributed to Directors routinely, as not all receive conference notifications.

**The Board calendar and annual agenda were noted.**

### **2.5 BOARD EXCEPTION REPORT**

**The Board Exception Report was noted.**

## 2.6 REGIONAL MEETING

The Chairperson addressed the report, noting the proposed itinerary for the regional meeting scheduled to be held in the Omeo area on Monday 19 and Tuesday 20 March 2018. Reference was made to inviting local community leaders to attend the dinner on the Monday evening and morning tea at Dinner Plain on the Tuesday.

**The Board resolved to note the report.**

## 2.7 2018 BOARD PRESENTATIONS

The Chairperson addressed the report regarding presentations for the Board in 2018. The Strategy Committee's annual agenda was presented to the Board for consideration.

**The Board resolved to:**

- **note the report**
- **accept the Strategy committee annual agenda as at attachment one.**

## 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 Board considered this item.

### 3.2 DECEMBER INFRASTRUCTURE, OPERATIONS AND ENVIRONMENT COMMITTEE

The Chairperson of the Infrastructure, Operations and Environment Committee addressed the report and minutes of the meeting held on 18 December 2017. Items discussed were:

- the dam safety management system review, with the Board requesting the dam safety presentation be given to the April meeting.
- The review of policies with some further amendments being suggested.
- POL 058, Catchment and Water Protection was discussed in depth with further amendments suggested.

**The Board resolved to:**

- **note the report and minutes of the meeting held 18 December 2017**
- **adopt POL 027, Environment as at attachment two**
- **adopt POL 063, Sustainability as at attachment three**
- **adopt POL 043, Drinking Water Quality Risk Management System with minor amendments as at attachment four**
- **adopt POL 054, Climate Change with minor amendments as at attachment five**
- **note POL 058, Catchment and Water Protection will be reviewed again at the next Infrastructure, Operations and Environment Committee meeting.**

### 3.3 FEBRUARY INFRASTRUCTURE, OPERATIONS AND ENVIRONMENT COMMITTEE

The Chairperson of the Infrastructure, Operations and Environment Committee provided a verbal report on the meeting held 19 February 2018. Discussion was held on the Wy Yung Storage update and the proposed storage replacement/upgrade solution. Given the significance and quantum of the recommendations, further detail was requested to be brought to the March Board meeting so that all directors can be fully briefed about the proposal before a recommendation is considered. The proposed changes to the 2017/18 capital works program were also discussed.

**The Board resolved to:**

- **note the report**
- **approve the engagement of Stantec to proceed with the detailed design process under MD delegation**
- **approve the revised 2017/18 capital works program totalling \$12M**

### 3.4 PRICE SUBMISSION – RESPONSE TO DRAFT DETERMINATION

The Executive Manager Business addressed the report regarding the price submission. The Board discussed the revised financial model and the response to the draft decision that is due by 9 March 2018.

**The Board resolved to:**

- **note the report**
- **approve the changes to the price submission**
- **note the response to the Essential Services Commission's draft decision**

### 3.5 GIPPSLAND REGIONAL WATER ALLIANCE – ELECTRICITY SUPPLY CONTRACT

The Executive Manager Business addressed the report regarding the electricity procurement contract. The Board discussed in depth the electricity procurement contract models presented. Discussion was had regarding the length of the contract and the timeframes involved for acceptance of a tender.

**The Board resolved to:**

- **note the report**

## 4. MATTERS FOR DISCUSSION

### 4.1 MANAGING DIRECTOR'S STRATEGIC UPDATE

The Managing Director addressed the report with particular reference to the draft Letter of Expectations KPI table, noting that the Letter of Expectations had not been received to date. In depth discussion was held regarding the initiatives to be included in the corporate plan to address all of the measures.

**The Board resolved to note the report.**

#### **4.2 FINANCIAL REPORTS- Period to 31 January 2018**

The Executive Manager Business addressed the report with particular reference to employee costs being below budget due to the turnover of staff and the delay in finalising the enterprise agreement. The quarterly forecast report was noted.

**The Board resolved to note the financial report and the quarterly forecast for the 2017/18 financial year.**

#### **4.3 2017/18 QUARTERLY CORPORATE PLAN PERFORMANCE**

The Executive Manager Business addressed the report concerning progress of outcomes against the 2017/18 Corporate Plan targets as at 31 December 2017. Reference was made to one target that was noted as being at risk has since been completed and will be recorded as achieved going forward.

**The Board resolved to note the report.**

#### **4.4 ESSENTIAL SERVICES COMPLIANCE REPORT – HALF YEAR 2017/18**

The Executive Manager Customers addressed the compliance report to the Essential Services Commission for the period ending 31 December 2017. Reference was made to two indicators that have exceeded the annual target and two indicators that are at risk.

**The Board resolved to note the report.**

#### **4.5 COMMUNITY ENGAGEMENT STRATEGY AND ACTION PLAN REVIEW**

The Executive Manager Customers addressed the report with reference to the continuous engagement with our community. Discussion was held in regards to which customer call backs are being made.

**The Board resolved to note the report.**

### **5. MATTERS FOR NOTING**

#### **5.1 INFRASTRUCTURE REPORT**

The report was taken as read.

**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 report was taken as read.

**The Board resolved to note the report.**

**6. BOARD PERFORMANCE FEEDBACK SESSION**

*(Tim Weight was not present from this item onwards). (The Executive and Board Operations Officer and Executive Managers were not present for this item).*

Ivana Gillard from Innovation Delivery Partners facilitated a workshop following the recent board performance survey. Feedback was provided and discussion evolved about processes to enhance board cohesion and performance. A number of positive suggestions were made which will be incorporated into the draft report that is being developed by Innovation Delivery Partners; the report will be the basis of a final report to be delivered to the Minister by the end March 2018.

**7. MEETING CLOSE**

**7.1 BOARD MEETING EVALUATION**

Director Bird led the evaluation of the February Board meeting observing the quality of discussion and questions, flexibility around issues and the efficiency of the meeting and staying on time.

**8. NEXT MEETING**

**The Board confirmed that the next meeting will be held on Monday 19 and Tuesday 20 March 2018 in Omeo.**

The meeting closed at 2:10pm.

Confirmed: \_\_\_\_\_ Joanne Booth, Chairperson

Chairpersons initials

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