



MERBEIN

**CUSTOMER SERVICES
ADVISORY COMMITTEE**

MINUTES

Venue: LMW 14th Street Training Room
Date: 29th September 2010
Time: 4PM - 5.30PM

1.0 APOLOGIES

Loris Davis – General Manager Business Services
Larry Dichiera

ATTENDANCE LMW

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| <ul style="list-style-type: none">• Owen Russell• Ron Leamon• Darren Raeck• John Bergin• Leesa Merrett | General Manager – Customer Services
Managing Director
Manager – Engineering Services
Manager Financial Services
Customer Relations Officer |
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ATTENDANCE CSAC

- Richard Wells,
- David Beard,
- Malcolm Bennett,
- Alan Greatz,
- Roslyn Hudson

2.0 WELCOME

OWEN RUSSELL

GM Customer Services Owen Russell welcomed Members to the meeting.

3.0 ELECTION OF CHAIR AND DEPUTY

OWEN RUSSELL

The Committee elected Richard Wells to the position of Chair again and David Beard to Deputy Chair again.
Managing Director Ron Leamon outlined that the annual Chair and Deputy meetings with the Board will be held on the morning of Tuesday 23rd November with a new format for all Chairs and Deputies to attend in a group meeting and a key speaker to attend the session.

4.0 ALLOCATIONS FOR 2009/10 & 2011 SEASON	OWEN RUSSELL
<p>Members were advised that the allocation had increased to 94% for Murray irrigators on 15th September 2010. This was higher than expected and greater than at the same time last year with an increase of 51% increase to high security water share. Catchments and storages are at good levels with Hume at 81% capacity and Dartmouth at 45%.</p> <p>It is expected that the next allocation announcement will bring allocations up to 100% with the excess to be allocated to next year's high security and this year's low security water entitlements. The Murray is expected to start putting aside losses for the next season within coming weeks.</p> <p>Owen Russell outlined to the committee that majority of lake systems particularly through the Swan Hill area including Kangaroo lake are full and some are in flood.</p> <p>Owen Russell outlined that the he has requested that GMW make available via the website what component of the storage is NSW and Vic and how this affects the spillable water account. A link will be established from the LMW website to the GMW website to ensure that the data available is always current.</p> <p>Useful links: www.mdba.gov.au/water/live-river-data</p> <p>MDBA printout shows daily inflows are well above the long term average, with high security allocations in the Murray system significantly higher than previous years.</p> <p>It is expected that temporary water will be very cheap and being sold at very low levels compared to previous years. Currently temporary water is being sold at \$35 per ML.</p>	
5.0 WATER TRANSFERRED OUT OF THE DISTRICT /SBIEG	OWEN RUSSELL
<p>GM Customer Services Owen Russell outlined the current information available relating to trade out of the district from the Water Register. 1000ML is still to be transferred out of the district before the 4% cap is reached. The growers who sold entitlements as part of the Murray Buy Back package to the government are excluded from the 4% cap imposed for the region. LMW is currently still well below the 4% cap however, GMW have reached the cap.</p>	
6.0 TABLING OF ANNUAL REPORT	OWEN RUSSELL
<p>The meeting was advised that LMW's Annual Report for 2009/10 was tabled in parliament on 16th September 2010. A key component of the report was the financial loss associated with the drought and subsequent reduced consumption.</p> <p>Other issues in the report included environmental, staff and statutory reporting requirements.</p>	

Termination fees produced a larger than expected revenue \$2.4M for 2009/10, this fee is only applicable to irrigation districts. For accounting purposes this figure is reported for this financial year however the grant covers a 10 year period.

80 customers paid termination fees over the 4 pumped districts within LMW region.

The exit fee is ten times the access fee to cover the infrastructure costs for that period.

John Bergin explained that 1/10th of the \$2.4M is recognized each year to ensure it does not impact the rating base and therefore not increase costs.

John Bergin also explained that loans of \$40M relating to urban capital works and Robinvale high pressure system had an affect on the bottom line.

Richard Wells requested information relating to how much water was lost in carry over for LMW on the urban side?

Action item – GM Customer Service to investigate how much waster was lost in carryover for the urban component.

7.0 MERBEIN IRRIGATION DISTRICT FINANCIALS FOR 2009/10 JOHN BERGIN

Manager Financial Services, John Bergin presented a financial report for Red Cliffs. The data presented showed actual revenue and expenditure against the budget and against the figures presented in the LMW Water Plan submitted to the ESC. Actual figures for 2010 and 2009 enabled a further comparison.

Income was \$4M primarily from rates and charges, interest and other revenue, expenditure was just over \$3.6M leaving a pre-tax profit of \$370,000.

The Committee noted the debtors has increased to \$540,000 however Doubtful Debts are \$0 and LMW believes that all of this money should be recouped

The problem with recouping the debt by forced sale is the majority are more than the value of the property.

8.0 OTHER BUSINESS

8.1 PREVIOUS ACTION ITEMS DARREN RAECK/OWEN RUSSELL

Owen Russell outlined that the Winter watering schedule between 12th and 26th May 2010 was adopted to accommodate vegetable, citrus and table grape growers.

The draft pumping schedule was tabled to the committee for review. Comments and feedback is appreciated from the committee to assist in making the schedule user friendly and flexible for growers.

Carry over views presented to the Managing Director to seek feedback regarding spillable water account and 100% allocation for the next year.

Darren Raeck gave an overview regarding dropping the lead times required for the ordering times for water. The times will be adjusted on the water ordering system with a note advising customers of the shortened timeframes.

8.2 WEEDS**OWEN RUSSELL**

GM Customer Service Owen Russell gave an overview regarding the ongoing monitoring and maintenance of the weeds and grass hopper/locusts, spraying commenced on LMW property today.

Aquatic weeds were better controlled this year, David Beard mentioned that the weeds have improved and appreciated the better management.

Fish farming has increased throughout the Merbein region and must be isolated from the system prior to the acrolan being dosed in the channels.

Wednesday 27th October – MDBC consultation day

Meeting closed at 5.20pm