

Minutes of the CNSWJO Board Meeting 26 May 2022 held in Sydney at Club York.

In Attendance

Cr R Taylor	Bathurst Regional Council	Cr M Kellam	Oberon Council
Cr K Beatty	Cabonne Council	Cr J Hamling	Orange City Council
Cr B West	Cowra Shire Council	Cr K Keith OAM	Parkes Shire Council
Cr P Miller OAM	Forbes Shire Council		

Mr D Sherley	Bathurst Regional Council	Ms R Fagan	RDACW
Mr B Byrnes	Cabonne Council	Mr W Sunderland	RDACW
Mr P Devery	Cowra Shire Council	Mr B Reynolds*	UMCC
Mr S Loane OAM	Forbes Shire Council	Ms J Bennett	CNSWJO
Mr G Wallace	Oberon Council	Ms M Macpherson	CNSWJO
Mr D Waddell	Orange City Council	Ms A Thomas	CNSWJO
Mr G Rhodes	Central Tablelands Water	Ms C Griffin	CNSWJO

*Joined via zoom

Meeting opened at 9.02 am by Chair Cr Kevin Beatty

1. Welcome from the Chair

2. Acknowledgement of Country

3. Speakers from the Department of Primary Industries & the Environment, Water

- Amanda Chadwick, Executive Director Performance Division -Water Group
- Jim Bentley, Deputy Secretary & CEO NSW Water Sector
- Shagofta Ali, Leader of the Regional Water Strategies

4. Apologies applications for a leave of absence by Joint Voting representatives

Cr S Ferguson, Cr J Medcalf, Cr C Bembrick, Cr D Somerville, Mr K Boyd, Mr G Tory, Mr M Kershaw, Mr R Earl.

Resolved **Cr P Miller/Cr J Hamling**

That the apologies for the Central NSW Joint Organisation Board meeting 26 May 2022 listed above be accepted.

5. Conflicts of Interest

Resolved **Cr M Kellam/ Cr K Keith**

A conflict of interest was declared for the Economic Environment and Social Assessment.

6. Minutes

Confirmation of the Minutes of the Central NSW Joint Organisation meeting 24 February 2022 held in Canowindra

Resolved **Cr P Miller/Cr R Taylor**

That the Central NSW Joint Organisation Board confirm the Minutes of the meeting 24 February 2022 held in Canowindra.

7. Business Arising from the Minutes – Matters in Progress

Resolved **Cr K Keith/Cr M Kellam**

That the Central NSW Joint Organisation Board note the Matters in Progress, making deletions as suggested.

Signed by: Cr Kevin Beatty

Chair Central NSW Joint Organisation

date: 24.2.23

8. Reports on Statement of Regional Strategic Priority

Priority One: Inter-Council Co-operation

a. Financial Report

Resolved	Cr B West/ Cr M Kellam
That the Board note the Financial Report.	

b. Remuneration for the Chair and or other Mayors in their capacity as Board members for the Central NSW JO

Resolved	Cr M Kellam/Cr J Hamling
That the Board note the report on remuneration of the Chair and defer the matter to the next meeting.	

c. Statement of Budget and Revenue 2022-2023

Resolved	Cr P Miller/Cr M Kellam
That the Board note the Report on the Statement of Budget and Revenue 2022/2023 and	
<ol style="list-style-type: none"> 1. Approve the draft 2022/2023 Budget and Statement of Revenue to the Board including <ol style="list-style-type: none"> a. A 2.5% increase in fees with the exception of fees for the Central Joint Organisation Water Utilities' Alliance which will have no increase; b. an internally restricted reserve of \$150K to enable outcomes from the Best Practice in Procurement Program; c. noting that the Chair of GMAC is progressing discussion with Lithgow City Council on their interest in membership options; d. receive a report on working more closely with Penrith City including membership options; and 2. Offer an associate membership to the Upper Macquarie Country Council for \$2000. 	

d. Review of the Statement of Strategic Regional Priority Subcommittee update

Resolved	Cr M Kellam/Cr B West
That the Board note the report on progress on developing the Statement of Strategic Regional Priority for this term of the JO; and	
<ol style="list-style-type: none"> a. Adopt the Terms of Reference for the Statement of Strategic Regional Priority Subcommittee; b. Adopt the Environmental Scan of Social and Economic Strategies; and c. Write to members updating them on the process and seeking feedback on priorities. 	

e. Advocacy to the State and Federal Governments

Resolved	Cr P Miller/Cr B West
That the Board note the report on Advocacy to the State and Federal Governments and	
<ol style="list-style-type: none"> 1. Seek feedback from members regarding messages 	

f. Best Practice in Aggregated Procurement Program

Resolved	Cr K Keith/Cr M Kellam
That the Board notes the report on the Best Practice in Aggregated Procurement Program and	
<ol style="list-style-type: none"> 1. Adopt the Stages 1-6 deliverables including the recommendations and <ol style="list-style-type: none"> a. consider the extent to which Procurement Model 2 is of value to members; b. build on the strength of the procurement roles of the JO; c. adopt a management fee model for income to the JO using a shared cost savings methodology; 	

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- d. consider using a shared cost savings methodology for the resourcing required for the JO to support an increased level of procurement as well as supporting other JO programming more broadly noting that councils are reporting they do not want to pay more in fees;
 - e. consider other value-added services including training, sharing expertise, audits and health checks etc., and how these would be funded;
 - f. consider each of the best practice initiatives and decide which should be pursued and in which priority order; and
 - g. send the letter to the Minister for Local Government regarding changes to the Act in relation to procurement undertaken by Joint Organisations as per Stage 1b advice;
2. Nominate the Inter-Council Cooperation Priority Sponsoring General Managers and the Chair of GMAC to oversee the progression of the recommendations;
 3. Internally restrict \$150k from reserves to enable the outcomes of the Best Practice in Aggregated Procurement Program; and
 4. As part of the review of the Statement of Strategic Regional Priorities, consider the recruitment of a Project Officer to support the procurement and contract management function of the JO, as well as other regional programs as needed.

g. Regional Procurement and Contracts

Resolved

Cr M Kellam/Cr B West

That the Board notes the report on the Procurement and Contract Management and

1. approve a 12-month extension for the following contracts:
 - a. restocking of first aid kits with St John Ambulance;
 - b. Employee Assistance Program with Converge International;
 - c. traffic control training with Dubbo Traffic Control, Admire Workplace Safety, and Australian Training and Consulting;
2. note a 3-month extension of the ERP contract with 100% Renewables;
3. approve a new procurement process for:
 - a. restocking of first aid kits, with the inclusion of a 5% contract management fee;
 - b. Employee Assistance Program, with the inclusion of a 5% contract management fee; and
 - c. asset revaluations of buildings and operational land, with the inclusion of a 5% contract management fee.

h. Energy Program

Resolved

Cr M Kellam/Cr J Hamling

That the Board notes the report on the Energy Program and

1. notes the progress on the electricity procurement process;
2. notes the update on the Southern Lights project, particularly in relation to Essential Energy's decision to not proceed with smart controls at this time, and seek further information on alternate options from Councils to enable them to optimise the street lights;
3. endorse the Transgrid consultation submission in regard to Maintaining Reliable Supply to the Bathurst, Orange and Parkes areas; and
4. encourage members to participate in the recently announced grant funding round for EV destination chargers.

i. Skills Shortages Report

Resolved

Cr K Keith/Cr B West

That the Board note the Skills Shortages report.

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date: 24.2.23

Priority Three: Transport and Infrastructure

**j. Inland Rail Productivity Enhance Program – Adoption of the Ernst & Young Report
P2_022 Central West Consolidation Centre Gate 2 Pre-Feasibility Study**

Resolved	Cr K Keith/Cr P Miller
That the Board adopt the P2_022 Central West Consolidation Centre Gate 2 Pre-Feasibility Study report with the following feedback for inclusion in Gate 3;	
<ol style="list-style-type: none"> 1. value to other Councils in the region in the context of value to the producer; 2. more detail on the potential of fertiliser aggregation to and from the region; 3. more business engagement; 4. non-infrastructure enablers like AQUIS located in region; and 5. the potential for induced demand. 	

11.00am

Cr Kevin Beatty left the meeting to attend the NSW JO Chairs meeting with Ms Meredith Macpherson

There was a short recess.

11.15am Meeting resumed with Cr Kellam as Chair

Priority Four: Regional Water Security

k. Water Update

Resolved	Cr R Taylor/Cr B West
That the Board note the Regional Water report and	
<ol style="list-style-type: none"> 1. endorse the submission made through the Executive to the DPE TWRRP on the Draft Regulatory Framework; 2. endorse the submission made through the Executive to the DPE TWRRP on the Draft Guidance Notes on Using the Integrated Planning and Reporting framework for local water utility strategic planning; 3. commend that submissions be made through the Executive to the Natural Resources Commission recommending that the Water Sharing Plans for the Macquarie-Bogan and Lachlan Unregulated River Water Sources be reviewed to recognise and better enable water for critical human needs; 4. write Letter to Kevin Anderson regarding the water supply 75/25 funding framework and linkages to CSO. 	

i. Report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority

Resolved	Cr P Miller/Cr K Keith
That the Board note the report to the Central NSW JO Strategic Plan and Statement of Regional Strategic Priority and	
<ol style="list-style-type: none"> 1. adopt the Terms of Reference for the Central NSW Joint Organisation Audit Risk and Improvement in Councils Working Group; 2. endorse the following submissions: <ol style="list-style-type: none"> a. Draft Central West and Orana Regional Transport Plan; and b. IPART proposed changes to the Waste Levy; 3. endorse the \$5k for the renewal of the Regional Activators Alliance Membership for another 12 months; 4. follow-up on the advice from the Auditor General about our representation on anomalies in the common Planning assumptions; 5. authorise Ms J Bennett as a member Board of Regional Arts NSW; 	

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date: 24.2.23

6. follow-up with the Minister for Tourism, Stuart Ayres, regarding signoff to enable the changed Destination Central Network Boundary including Forbes, Parkes and Lachlan;
7. advocate to ensure all members of the CNSWJO are included in the Central West Regional Leadership Executive Boundary; and
8. invite Mr Garry Barnes to the next meeting.

9. Confidential Reports

a. Legal Advice to inform response to the Town Water Risk Reduction Program Consultation Draft Regulatory Framework for Local Water Utilities

Resolved

Cr P Miller/ Cr J Hamling

That the Board:

1. Move into closed session to consider legal advice;
2. Pursuant to section 10A(1)-(3) of the Local Government Act 1993, the media and public be excluded from the meeting on the basis that the business to be considered is classified confidential under the provisions of section 10A(2) as outlined above; and
3. Correspondence and reports relevant to the subject business be withheld from access.

Resolved

Cr B West/ Cr R Taylor

That the Board note the confidential report on the Response to the Town Water Risk Reduction Program Consultation Draft Regulatory Framework for Local Water Utilities and under the hand of the Chair develops a submission and advocates strongly in response to the Town Water Risk Reduction Program Consultation Draft Regulatory Framework for Local Water Utilities that draws on legal advice from Crennan Legal and supports:

1. Funding for town water infrastructure decoupled from strategic planning by Local Water Utilities that recognises that access to quality secure water is a basic human right
2. Strategic Planning for LWUs to be removed from the regulatory framework recognising strategy is also regulated in the Integrated Planning and Reporting (IP&R) framework of the *Local Government Act 1993*
3. A Section 60 appeal process that provides for independent dispute resolution
4. A funding framework that incentivises JOs in a regional approach to LWU strategic planning where value to both the State Government and JO members can be leveraged
5. An opportunity for the CNSWJO to pilot using the IP&R framework for local water utility strategic planning through a regional lens with its member Councils
6. Assurance from the DPE to the provision of one-source of truth with respect to secure yield data
7. Commitment to the need for inter-governmental collaboration on strategic regional water planning and management through a multi-agency committee with Local Government at the table in regional NSW, including a Governance and Implementation Plan for delivery of the long-awaited place-based Regional Water Strategies.

b. Small Market Electricity Sites Contract

Resolved

Cr J Hamling/ Cr K Keith

That the Board note the report on the small market electricity contract and

1. approve the transition to the NSW Government contract for small market electricity sites with Shell Energy and that CNSWJO does not conduct a new procurement process,
2. note the legal advice received in relation to the early exit of the current small market electricity contract, and
3. members to give consideration to whether they wish to transition to the NSW Government contract when it commences on 1 July 2022 or wait until 1 January 2023.

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Resolved	Cr K Keith/Cr R Taylor
That the Board resumes open session.	

10. Late Reports – Nil

11. Matters raised by Members

Parkes: Ms J Bennett to bring a report to the Board on the potential for more activity in screen in Central NSW.

12. Speakers to next meeting

- Mr Matt Keane - Treasurer, and Minister for Energy
- Mr James Griffin - Minister for Environment and Heritage
- Mr Dugald Saunders - Minister for Agriculture, and Minister for Western New South Wales
- Mr Sam Faraway – Minister for Regional Transport and Roads
- Ms Wendy Tuckerman – Minister for Local Government
- Mr Anthony Roberts - Minister for Planning and Minister for Homes
- Mr Brad Hazzard - Minister for Health
- Ms Bronnie Taylor - Minister for Regional Health
- Mr Kevin Anderson - Minister for Lands and Water, and Minister for Hospitality and Racing
- Mr Paul Toole - Deputy Premier, Minister for Regional New South Wales, and Minister for Police

Seek to have dinner at Parliament House and ask Deputy Premier Paul Toole, to host.

13. Next meeting

GMAC – 28 July 2022

Board – 25 August 2022 – State Parliament

Meeting close 11.44pm

Page 6 is the last page of the Central NSW Joint Organisation meeting 26 May 2022

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Chair Central NSW Joint Organisation



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