



Murray Darling Association Inc.

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REGION 10 ORDINARY MEETING

MINUTES

Location: Dubbo Regional Council Civic Administration Building
Corner Church and Darling Street
DUBBO NSW 2830

Time/date: 10:30 am Thursday 29 August 2019

Presenters: Mary Ewing – Lachlan Valley Water

1. ATTENDANCE

The Chair declared the meeting open.

1.1 Present:

Cr Phyllis Miller OAM (Mayor) (Chair)	Forbes Shire Council
Mr Steve Loane (General Manager)	Forbes Shire Council
Cr Craig Davies (Mayor)	Narromine Shire Council
Cr Mark Hall (Councillor)	Lachlan Shire Council
Cr Mark Beach	Warren Shire Council
Cr Ben Shields (Mayor)	Dubbo Regional Council
Mr Michael McMahon	Dubbo Regional Council
Cr Janine Lea-Barrett (via zoom)	Cobar Shire Council
Emma Bradbury (CEO)	Murray Darling Association

1.2 Apologies:

Cr Graeme Hanger OAM (Mayor)	Bathurst Regional Council
Cr Lillian Brady OAM (Mayor)	Cobar Shire Council
Cr Ken Keith OAM (Mayor)	Parkes Shire Council
Cr Kathy Sajowitz (Mayor)	Oberon Shire Council
Mr Greg Tory (General Manager)	Lachlan Shire Council

Apologies were accepted: Moved: Cr Craig Davies/Cr Mark Hall **CARRIED**

The Chair thanked those present and advised that she is committed to working with the group to getting Region 10 back on track.

The next step is to extend an invitation to the influential people to speak with the group, including Hon. Melinda Pavey, Minister for Water, Property and Housing to address the November meeting. (date will need to be flexible to work with Minister's diary). The Association needs to also hear from the Murray Darling Basin Authority to obtain its views on planning. Need to approach neighbouring Councils to encourage them to attend meetings. It is really important as leaders in Local Government to understand what our water situation is.

Thanks was extended to the Mayor Ben Shields and General Manager Michael McMahon, of Dubbo Regional Council for hosting the Murray Darling Association (MDA) meetings at Dubbo as this venue is considered the most centralised point. Should there be interest further afield from some southern councils then Region 10 could look at Orange or Bathurst areas to hold meetings.

2. WELCOME

Mayor Ben Shields welcomed members to Dubbo.

Emma Bradbury, CEO echoed the Chair's commitment to the re-establishment of Region 10.

3. DECLARATIONS OF INTEREST

Nil.

4. MINUTES

4.1 Last recorded ordinary minutes dated 11 June 2015 were tabled. NOTED.

5. REPORTS

5.1 Chair's Report:
There was no report submitted, on this occasion, due to the Chair only being newly appointed.

The CEO advised she has had discussions with Mr Philip Glyde, CEO, Murray Darling Basin Authority and from these discussions is confident that he will attend the next Region 10 meeting.

Craig Davies advised Susan Madden, MDBA Board member resides in Dubbo. NOTED

5.2 MDA Board Meeting Minutes:
It was noted that minutes of meetings are posted on the MDA website and can be viewed at any time. NOTED

5.3 MDA CEO's Report:
The CEO provided a brief on the activities, engagements and progress on strategic achievements and operational content. Topics this month included:

- Engagements
- End of Year Financial Year Audit
- National Conference
- MDA Governance Framework
- MDBA/MDA MOU – signed in July
- Membership Drive
- Projects
- Municipal and Community Engagement Program
- Connecting Catchments and Communities Moira-Mildura

It was noted that CEO reports are provided monthly and are also available for review on the MDA website.

Motion: that the reports be noted.

Moved: Craig Davies Seconded: Mark Hall. All in favour CARRIED

Mary Ewing arrived at the meeting.

Cr Craig Davies left the meeting.

6. PRESENTATION

The Mayor thanked Mary for her attendance at the meeting, advising that the purpose of the meeting is to try and get Region 10 back up and running. Mayor Miller then introduced Mary Ewing (Lachlan Valley Water) advising that an invitation had been extended to Mary to address the meeting in relation to the effects of drought and the Murray-Darling Basin Plan on the Lachlan Valley.

6.1 Mary Ewing – Lachlan Valley Water re: the Effects of drought and Murray-Darling Basin Plan on the Lachlan Valley.

A copy of the presentation is appended to the record of meeting. Salient points of note from the presentation:

- The Lachlan Catchment covers 300 river kilometres where it rises near Crookwell to where it terminates at Great Cumbung Swamp.
- The Lachlan Valley Catchment area has a population of 110,000.

Storage:

The main storage is:

- Wyangla Dam 1.22m ML capacity (equivalent to 2 Sydney Harbours) currently holding just under 300,000 ML (24.5%);
- Carcoar Dam has 36,000 ML capacity and is currently holding about 7,500 ML;
- Lake Cargelligo Dam has 36,000 ML capacity and is currently holding about 22,000 ML;
- Lake Brewster (between Lake Cargelligo and Hillston) has 145,000ML capacity and is currently holding about 0 ML
- The Water Sharing Plan requires visible flow at end of system, so requires 180,000ML/year to run the river, not including any licenced usage in place since 2004 and governs how the river is operated – 75% preserved primary purposes leaving 25% for extractions.

Licences:

- | | |
|-------------------------------------|------------|
| • Local water utilities: | 15,545 ML |
| • Stock and Domestic: | 12,502 ML |
| • High Security: | 27,680 ML |
| • General Security: | 592,801 ML |
| • Conveyance (Jemalong Irrigation): | 17,911 ML |

Total: 666,439 ML

- The Water Sharing Plan Usage limit = 300,000 ML the long term average = 25% of long term average annual flow – 75% is preserved for environmental purposes which varies year to year.
- Environmental flow rules – 20,000 ML WQA every year.
- Belubula – 27,000 ML licences, usage limit 7,370 ML

Under the environmental rule in water sharing plan there is a requirement every year for a 20K ML water quality allowance. The Lachlan has had problems with salinity particularly at the entrance at Cowra and further downstream at Lake Brewster to deal with that and Blue Green Algae primarily. Both rivers are limited to significantly less usage than licence entitlement and what isn't used each year goes back into the resources. (Lachlan 42% and Bebusula 30%).

The Belubula flows into the Lachlan.

Other environmental flows are called translucent flows which has 3 criteria. The idea of translucent flows is that it mimics natural flows each year in the period 15/05 and 15/11 provided they have 250K ML inflows in calendar year, providing that the volume of flows is sufficient to reach a target at Lake Brewster of between 350 ML and 8K ML a day the water is allowed to flow through as if it is translucent and it varies but we haven't had any translucent flows since 2016 so some of the releases were translucent.

Irrigated Production – Lachlan Valley sources from ABS Gross Value Irrigated Agriculture 2015/16 data;

- Farm gate value = \$222 million = \$760/ML used;
- Inclusive flow-on effect to community = \$480 million/year;
- The three main contributors are vegetables, fruit and nuts and cotton account for 70% of total value of irrigated production.

Impact of Variability:

- Inflows into Wyangala – long term average inflow into Wyangala is approximately 720,000 ML per year.
- Two-thirds of the inflows into the Lachlan come into the Dam with a further third entering below the Dam.

2016/17: 1,495,000 ML inflows to Wyangala, 900,000 released Aug-Nov 2016 and 1,800,000 ML flow past Willandra Weir in 2016/17
2017/18: 165,000 ML inflows
2018/19: 88,000 ML inflows
2019/20: 7,000 ML inflows July/August (almost through our third driest winter).

Historical record - pre-dam – no flow period of 111 days at Cowra in 1908.
Members in attendance were advised that Melbourne University and the Department does the modelling and they are transitioning to a new modelling at the moment.

What we are experiencing at the moment, whilst it is not unexpected, it is not normal.
Widespread flooding in 2016/17, followed by very dry conditions in 2017/18 and 2018/19.
We are in very difficult situation at the moment.

Wyangala Dam Augmentation:

Usage is already legally limited by Water Sharing Plan and Basin Plan:

- increasing the storage capacity would not be about issuing new licenses it would be about improving water security (defined as the number of zero years) and reliability (long term capacity), given the very high year to year variability in inflows.
- improve flood management capability – and be able to move some of that 900K ML released in 2016 Wyangala – airspace capacity is only 4%.

Mayor Miller advised that Region 10 wants floodplain management put into the new plan for governing Wyangala Dam particularly if they are going to raise the wall.

Mary Ewing advised that as an organisation the Department supports carrying out the detailed business case and we believe there should be the community should be involved in that business case and that stakeholder input must be included within this case.

The key factor for users is how much and at what cost the increased security will be – 6% or something like that and what people are prepared to pay. There is still a lot of work to be undertaken in this space. Funding will be coming out of the Snowy Hydro Legacy Funding – but need to know what are the maintenance costs and how are they distributed.

Needs to be done across the board not just user but all stakeholders. When NSW did some studies 3 or 4 years ago they came up with a 20 year structure and about 5 years ago they started looking at new dam on the Belubula but came across some historic sites but then moved to Wyangala. Much more detailed business study, including environmental and security improvements need to be considered.

Current Position – August 2019:

The Department's water strategy is broken into 4 stages.

Stage 1 – no problems

Stage 2 – a slight problem

Stage 3 – drought – incorporating some restriction

Stage 4 – serious drought – prioritising town water supply and stopping domestic use.

Lachlan River is currently managed under Drought Stage 3:

- Local water utilities: 100%;
- Stock and Domestic: 100%;
- High security: 87%;
- General security – no new allocation since August 2017 2%
151,000 ML carried over into 2019/20
57% of this deliverable, rest suspended
- 280,000 ML inflows required before any new allocation.

Basin Plan:

- Lachlan is physically disconnected from the River Murray System, only in a big flood events does it flow into the system.
- Commonwealth purchased 81,000 ML (92% of their holdings) between June 2008 and June 2010, before the Sustainable Diversion Limits (SDL) reduction targets were set.
- MDBA has acknowledged SDL was set at volume already recovered.

Basin Plan 2:

Total entitlement now held by NSW and Commonwealth environmental agencies is 126,400 ML = 19% of total entitlement. Consumptive use now limited to 20% of long term average annual flow.

Lachlan Water Shares in 2017 as % of average annual flow:

Environment Share:	75%
Held Environmental:	5%
Towns and Stock and Domestic:	1%
High Security:	2%
General Security:	1%

Basin Plan 3:

The loss of this water from productive use is worth \$36 million/year at farm gate, and \$78 million including flow-on effects to the community.

Basin Plan Issues:

- Achieving rest of water recovery across the whole Basin – constraint and adjustment measures.
- Northern basin ‘toolkit’ to improve environmental outcomes to be implemented and delivered.
- 450 GL ‘up water’ and the social and economic neutrality test.
- NSW Water Resource Plans – 22 due to be submitted to MDBA by 31 December 2019 (extended date).
- Water market – movement of water to high value crops – delivery issues.

Opportunities:

- Complementary measures to improve environmental outcomes include:
 - Fish ladders
 - ‘Curtains’ on dam offtakes to reduce thermal pollution
 - Carp herpes virus
 - Structures to assist management of environmental water
 - Strategic trading of environmental water
 - Adaptive management

Mayor Miller (Chair) and Emma Bradbury (CEO MDA) commended Mary on the data set provided, thanked her for providing this information and extended an invitation for her to participate and observe at any future MDA Region 10 meetings.

ACTION: A copy of the presentation to be distributed to all MDA regions with the record of this meeting.

7. GENERAL BUSINESS

7.1 Regional priorities – Councils to raise their key Basin-related issues and objectives

Cobar advised they will be looking to bring in water by train to the township, the various mines cannot operate if they cannot access water so they are all going to be in trouble if something doesn’t happen shortly.

ACTION: The Chair requested formal invitation be extended to the following people to address the next meeting:

1. The Hon. Melinda Pavey, Minister for Water, Property and Housing
2. Phillip Glyde, EEO of the Murray Darling Basin Authority
3. Chris Devitt, Water Strategy Coordinator

It was noted that Wednesdays are the most suitable days to conduct meetings.

7.2 ACCC Inquiry into Basin water markets – feedback on Terms of Reference

NOTED.

7.3 Royal Commission – Position on proposed further review of the Basin Plan;

The Boards’ view is that there is enough actions that haven’t yet been implemented into the Plan without going forward to undertake another Royal Commission. What we want is to get everyone to work together to try and make the Plan work. The Board supports the Basin Plan whether it is good, bad or ugly it is better than no Plan at all. The current Plan is static with no forward planning; all we need to do is move it forward.

7.4 Assessment of social and economic conditions in the Basin;

This work, led by Robyn Sefton, we are endeavouring to get her or one of her colleagues along with Mr Jock Laurie, Water Commission to address a future meeting. This needs to be communicated to our surrounding Councils to ensure a better roll up at future meetings.

ACTION: That an invitation be extended to Robbie Sefton and Jock Laurie to address a future MDA Region 10 meeting.

Motion: That the Executive thank Mary Ewing for her informative presentation and extend an invitation for her to attend future meetings at her convenience.

Moved: Cr Mark Hall Seconded: Michael McMahon. All in favour CARRIED

Motion: That the Executive send out a Murray Darling Association conference program ASAP to all Mayors and General Managers of Councils within Region 10.

Moved: Cr Mark Hall Seconded: Michael McMahon. All in favour CARRIED

8. **SCHEDULE OF MEETINGS**

The date of the November meeting will be fluid to fit in with Minister Pavey's schedule.

The dates for February, May, August and November: 2020 will be sent out by the Chair at a later date.

Cr Mark Hall asked a question regarding stock and domestic water and environmental water.

ACTION: The Executive to seek clarification regarding the difference between stock and domestic and environmental water.

9. **CLOSE**

The Chair thanked everyone for attending and declared the meeting closed at 12:45 pm

The Murray Darling Association acknowledges and thanks Dubbo Regional Council for its support in hosting this meeting of Region 10.