

Chair & MD's Report

The 2008/2009 year has presented us with many challenges and successes. Our biggest challenge, like many other Victorians was that terrible Saturday in February with the worst bushfires on record. So many towns in our region were impacted and the beautiful town of Marysville was devastated.

Goulburn Valley Water was also impacted significantly by the fires. The main control plant at the Kilmore water treatment plant was destroyed as was a significant section of pipeline in Marysville along with many other above and below ground assets. In total we expect that we will need to invest around \$3 million to replace damaged assets. Our employees response was absolutely inspiring during this time, not only to the emergency and getting our services up and running again but also how they helped the community. It is very reassuring to know that in times of crisis our people respond brilliantly. We would like to take this opportunity to thank all our staff, contractors and suppliers for their total commitment during this time. The Corporation's response to bushfire event has been outlined in more detail in a case study in this report.

One of our great successes this year was the completion of the Broadford water supply pipeline which allowed the easing of Stage 4 water restrictions down to Stage 1 for the Broadford and Waterford Park communities. The Sunday Creek system which previously supplied Broadford and Waterford Park has been stressed due to the drought for a number of years and this pipeline now provides a secure supply of water for this region. Goulburn Valley Water also invested in further temporary pumping arrangements to transfer water from Broadford to Sunday Creek Reservoir which allowed water restrictions to be eased in the towns of Kilmore and Wandong-Heathcote Junction. This is a great example of the Corporation utilising secure urban entitlements, and prudent investment to provide water services to our customers right across the region.

We also commenced the Upper Goulburn Regional water supply pipeline which will connect Eildon and Thornton to the Alexandra water treatment plant. This pipeline will provide a high quality secure water supply for this region.

We continued to develop our community engagement programs by establishing a Corporate Community Reference Committee. This committee will contribute to a large number of our projects and deliberations over a three year period.

In early 2009 our management team started to implement the principles of Sustainable Excellence across the organisation. This will enhance our capability by ensuring that we capture and build on our strengths and identify opportunities for improvement that will help Goulburn Valley Water move from good to great.

For the 2008/2009 financial year, the Corporation achieved an operating profit of \$1.65 million compared to \$183,000 profit in the previous year. This year about \$29 million was invested in new water and wastewater infrastructure work throughout the region.

During the year we farewelled two Directors. On 30 September 2008, Don Cummins finished his term as Chairman, and Margaret Rae

completed eight years as a valued member and contributor to the Board. We welcomed Sue O'Connor and David McKenzie, appointed to the Board during the year and also congratulate Mark Lawlor who was appointed by the Minister as Chairman of the Board on 9 December 2008.

We continued to take a leading role in the water industry and invest in developing our people. In September 2008, our General Manager Technical Services, Allen Gale attended the International Water Association conference in Vienna – the main purpose of this trip was to launch the Global Biosolids Atlas in his role as Chair of the Australasian Biosolids Partnership. In May two of our operational staff attended the New Zealand Water Industry Operators Conference and study tour. This provides our staff with the opportunity to network and learn about various operational approaches and innovation. In June our Chairman, Mark Lawlor attended a VicWater study tour to the western states of the US. He visited a number of water agencies in California, toured the Lake Hoover Dam on the Colorado River and attended the American Waterworks Association conference in San Diego. Highlights of the tour included gaining a better understanding of the significance of groundwater in the resourcing of urban water supplies in California, the advances in smart metering, and enhanced networks amongst Chairs and Managing Directors from both regional and metropolitan water corporations.

We would like to express our appreciation to our employees, consultants, contractors, regulators and our catchment partners Goulburn-Murray Water, Goulburn-Broken CMA, the Northern Victorian Irrigation Renewal Project (NVIRP) and local government across our region for their support and cooperation over the past year. Together we look forward to meeting the many challenges that lay ahead in an era of responding to resource constraints.

Finally, it gives us great pleasure to present the Report of Operations for Goulburn Valley Water for the year ending 30 June 2009, in accordance with the *Financial Management Act 1994*.



Peter Quinn
Managing Director

Mark Lawlor
Chairman





Black Saturday

Goulburn Valley Water faced a significant operational challenge responding to the devastating bushfires in its region on Saturday 7th February which impacted a number of towns that are serviced by the Corporation. The towns included Kilmore, Broadford, Wandong, Heathcote Junction, Buxton and Marysville.

Following an early morning inspection of damage from the Kilmore East fire an emergency response team was convened on the Sunday morning (8 February) and Goulburn Valley Water's Crisis and Incident Management Plan was invoked. The initial response concentrated on fire damage and loss of power to a number of sites in the south-west and south-east districts.

In the south-west district the fires destroyed the control building at the Kilmore water treatment plant which contained all electrical switchboards, control systems and chemical dosing components. Fortunately the Kilmore system incorporates large treated water storages that held around five days supply.

Early on Sunday afternoon a small Goulburn Valley Water project team inspected the water treatment plant. Although the plant building had been severely damaged by fire, the filters, motors and valves were still operable.

The proposed solution relied on restoring the dosing systems, the electrical switchgear and control system before the available water storages were depleted.

Stage 4 water restrictions were introduced immediately and a supplementary pumped supply from Wallan was recommissioned by Sunday night.

It was calculated that by introducing Stage 4 water restrictions plus obtaining a supplementary supply from Wallan we could sustain the town's water supply for approximately five days.

Solution:

- Use a shipping container to house a temporary control room.
- Arrange for the replacement of the dosing systems.
- Use a diesel generator to power the site.
- Investigate, label and prepare the existing field cabling.
- Connect field cabling to temporary control room and commission.

Planning commenced on Sunday night. A six metre shipping container was decided upon, which would hold the control equipment while still being able to fit onsite. A timeline was developed that took into account the construction, installation and commissioning phases of the project.

Repairs were a round the clock effort utilising the Corporation's four electrical/instrument staff and a small number of operators and contractors. The initial work took place over three days at the Shepparton Operations Centre. The shipping container, with most equipment installed, was then delivered to the Kilmore water treatment plant site on Wednesday afternoon.

Installation commenced Wednesday afternoon and was completed two days later – including replacement of the instrumentation and dosing systems. Commissioning commenced Friday evening and was completed Saturday evening.

On Sunday evening the plant was operating unmanned under automatic process control, producing excellent quality water.

It was a great effort, and all involved were deservedly very proud. Another reason to be proud



Wiring up the new control panel in the shipping container

was that in June 2009 this project was awarded the PACE Zenith award for Water/Wastewater Project category and the award for Project of the Year.

The fires also resulted in a loss of power to a number of sites in the south west district including Broadford, Waterford Park and Wandong. Temporary diesel generators to enable water and wastewater systems to operate were installed on Sunday 8th February.

Overall, little or no interruption to services were experienced by customers in the south-west district.

The challenge in the south-east district was a task of another dimension, as in Marysville nearly every building was destroyed, and Buxton, which is supplied by a pipeline from Marysville, was without water.

Access to these towns was not permitted until Monday morning, when Goulburn Valley Water employees, police and a small handful of remaining residents were the only people working in very difficult circumstances.

The priority was to turn off fire and water services that had been left running when the fire storm hit the town, and to isolate damaged services. The wastewater system was also operated using mobile generators.

While progress was slow because of damage to buildings, supply was restored to most of Marysville late Monday and to Buxton on Tuesday. Disinfection plants were also recommissioned, but a 'boil water' notice remained in place until a reliable power supply was installed.

The major impact to water and wastewater infrastructure at Marysville was severe damage to the water supply pipeline to

the town's reservoir, and the loss of the spray irrigation system at the wastewater management facility. To compensate for the loss of the water supply pipeline a temporary diesel powered pumping system was installed while the pipeline was replaced.

600 metres of polyethylene pipe at the Steavenson Falls end was completely destroyed. The remaining 1,700 metres of pipe suffered damage at various locations along the length of the pipe.

Goulburn Valley Water responded to this emergency situation as a matter of urgency to secure the water supply for Marysville and Buxton. Corporation employees went in to Marysville a couple of days after the fires to assess the damage, so that when the community was able to return they would have access to drinking water and sewerage services. In spite of the hazardous

and difficult conditions the works were completed on Good Friday, 10 April, due primarily to the fantastic commitment from the construction contractor, DigRite and the Corporation's project team.

The area was a real disaster, with dangerous trees littered throughout the area, some with their tops screwed off by the intense winds caused by the fire. To facilitate access to implement the emergency works, DSE assessed the tree hazard and potential risk along the road and water main alignment. DSE cleared an existing path, including widening where necessary, which allowed us access to replace the water main. The first 600 metres of the pipe was laid in the path adjacent to the river bed, where the original pipe was laid and the remainder of the pipeline was laid in the road reserve.

DSE and Goulburn Valley Water worked consultatively to minimise environmental impacts while rendering the area safe to work.

The pipeline has been replaced with a new cement ductile lined pipe which is much more durable than the former polyethylene pipe. In recognition of the urgency and as support for the Marysville community the pipe supplier, Tyco Water, made a special effort to supply the 2.3km of replacement pipe.

Goulburn Valley Water is very proud of the way its staff responded to the emergency and the recovery phase. In some cases employee's houses were under threat of the continuing fires, but they continued to work long hours and to provide excellent service to the Corporation's customers. It was a great effort by everyone involved.

A final comment is to offer thanks to the numerous consultants, contractors and other water businesses who offered immediate assistance.



**Picture
The burnt out control room at the
Kilmore water treatment plant**