

Southern Groundwater and Rivers Forum

Minutes of Meeting 55

Date	Time	Location
15 November 2024	9:30am	The Hub - 555 Collins ExChange, Melbourne

Present

Mr Ross Ingram	Chair
Mr Bruce Vallance	Forum Member/Deputy Chair
Mr Daniel Hammond	Forum Member
Mr Steven Marshall	Forum Member
Mr Norm Drew	Forum Member
Mr Kevin Stark	Forum Member
Mr Matt Zagami	Forum Member

In Attendance

Mr Cameron FitzGerald	Managing Director, SRW
Mr Michael Browne	Board Director, SRW
Ms Kylie Steel	Board Director, SRW
Mr Anthony Scarff	Board Director, SRW
Ms Hayley Taylor	Executive Assistant, SRW (minutes)

Apologies

Dr Jane Doolan	Board Director, SRW
Mr Matt Gleeson	Forum Member
Mr Daniel Toohey	Forum Member
Mr Simon Wilkinson	General Manager Service Delivery, SRW
Ms Penny Winbanks	Manager Statutory Functions, SRW

Guests

Mr Matthew Hudson	Principal Hydrogeologist, SRW
Mr Clinton Hartley	Strategy and Business Advisor
Mr Terry Flynn	Manager Water Resources Strategy

1. Acknowledgement of County

The Chair acknowledged the Traditional Owners of the land on which the meeting was held.

2. Welcome and Apologies

The Chair welcomed all present to the meeting and noted the apologies. All attendees introduced themselves.

3. Declaration of conflicts of interest

The Chair asked attendees to declare any conflicts of interest relating to the business of this meeting.

There were no new conflicts raised by SGRF members.

Mr Michael Brown, SRW Board Director, declared a potential conflict relating to agenda item 6.4 Small Farm Dam's project update, due to his secondment to the Wurundjeri Woi-wurrung Cultural Heritage Aboriginal Corporation.

4. Confirmation of minutes – Meeting 54

The minutes of meeting 54 held on 2 August 2024 were **approved**.

Moved: Daniel Hammond **Second:** Norm Drew

5. Business Arising

The report was taken as read. The status comments and items to be discussed during the meeting were noted.

6. PRINCIPLE MATTERS – for discussion

6.1 Roundtable discussion – regional highlights, issues and opportunities.

The members participated in a roundtable discussion where they provided insights into regional highlights, issues and opportunities in their area.

Mr Steven Marshall – Mornington Peninsula

- Due to no/minimal rain there is not enough water across the Peninsula for the season. It is a 'green drought', with no runoff from rainfall to soak the ground. Farmers are using heavy mulch, and some are using mains water which is expensive.
- The priority for Mr Marshall is advocating to get recycled water into the area but nothing has progressed from a feasibility study that was commissioned identifying the opportunities in the area.
- Landholders are looking at drilling bores to access water, but water is generally salty.
- Avocado prices are low at the moment, and wine grapes have been affected through disease and poor flowering.

- There has been a lot of properties changing ownership due to land tax rules, and with changing ownership come a lack of understanding around the rules of taking and using water.
- There are sleeper licences in the area, that if utilised would bring more water into production, but lack of understanding around trade, and trade rules limits trade options. Field Officers relationships with landowners is crucial to generating trade.

Mr Bruce Vallance – South West Limestone

- There is a stock water shortage in the area, with dams not being filled.
- The Government has responded through a Drought Hub, but farmers need to develop their own drought resilience plans.
- Water is available in aquifers, but access is limited due to sleeper licences, and an unwillingness to trade. As part of the GM2030 project is looking at trade options.
- A recent Food and Fibre Great South Coast meeting was attended by a representative from the timber industry, who indicated an appetite for fair rules for all water users.
- It has been documented that timber plantations are impacting run-off in the region.
- Work needs to be undertaken to clearly define the differences between stock and domestic and commercial water rights.

Mr Norm Drew – Thomson River

- Working with SRW on enhancements to the flood warden system, to provide prior warning of a flood event.
- Periods of high demand in the MID have seen delivery delays. To overcome this, SRW needs to look at ways to improve the system. Delays are exacerbated where there is high allocation, with little use late in the season and when irrigators cancel orders at the last minute.
- The distribution of water savings had previously been restricted to irrigators in the MID and Mr Drew reminded the committee that the Thomson, Macalister is one regulated district. The Managing Director highlighted the water sales held during his time at SRW had been open auctions available to all eligible irrigators, and this will continue into the future.

Mr Daniel Hammond – Mitchell River and Wy Yung GW

- The region is experiencing dry conditions and river restrictions are expected. This is different to the last three to four years where the river was not placed on restriction so irrigators may need to be reminded of the rules and rosters need to be reviewed as properties have changed hands.
- It was **agreed** SRW would review rosters and distribute communications around what river restrictions mean.

Mr Matt Zagami – Wairewa / Snowy River

- There is a lot of focus from government in the area, due to the closure of the timber industry, including a focus on agriculture and transitioning the timber workers into the industry.
- The Chamber of Commerce recently completed a study on water trading in the area, with the study finding there is an issue with visibility of licence holders, and recommendations were made on how to stimulate trade.
- It was reported that only approximately 24% of the allocation in the area was being used.
- In dry years, water below the bridge at Orbost becomes salty and cannot be used. To ensure sustainability and productivity in the area in times of drought, irrigators may need to be encouraged to consider on-farm storages, and winterfill licences.
- Upstream trade rules can and are also inhibiting production opportunities, and Mr Zagami encouraged SRW to advocate for access to the water, and for trade rules that support production.
- To support trade, irrigators would like to see SRW's trading platform expanded to other areas.
- Public access to the Water Register was discussed, and the committee advised that during consultation to make the register public, feedback from licences holders was that they did not want to receive unsolicited calls to trade water.

Mr Kevin Stark – Border Zone Groundwater

- There are lots of timber plantations coming into the area from South Australia.
- Groundwater recharging and run-off is being impacted and water levels have dropped and there is a lot of money being spent in the area to reach deeper aquifers. Irrigators are expecting zero recharge this year as it has been a dry winter. SRW was encouraged to advocate for licencing water use for plantations.
- It was reported this season has been the driest since 1967, with farmers having to buy in hay. The area experienced a dry winter, a good spring, and now the area is drying out again. Domestic and stock dams have not filled.
- Mr Stark noted that he would like to see a Groundwater user appointed to SRW's board. The Managing Director discussed the process of board appointments and encouraged anyone interested to apply when the next opportunity arises in early 2025.

Mr Ross Ingram – Mitchell River

- Raised an issue of poor record keeping by SRW where water was issued incorrectly to a property, and it appears to be an issue with title information. It was **agreed** to take the issue offline and SRW will follow-up directly.
- Mitchell River Management Review – irrigators are raising concerns that they will lose the ability to purchase Sales Water, and the Sustainable Water Strategy project that is looking into this matter needs to engage with all irrigators as soon as possible, to fully understand how much Sales Water is being used and who relies on it. It was **agreed** this information would be

passed onto the project team to action. Management provided an overview of the review, noting that it is as a result of an action in the Central Gippsland Sustainable Water Strategy. This process, of irrigators being able to purchase water exceed their licence allocation, while within policy, is an anomaly in the way water is managed elsewhere across the state.

Mr Cameron FitzGerald, Managing Director provided a summary back to the committee of the items discussed and actions SRW is taking to advocate for customers:

Policy:

- Water licencing of the timber industry is becoming a significant issue. SRW will continue to advocate for fair and equitable access for all water users.
- Upstream trading rules are inhibiting trade in some areas, and there may be opportunities for a risk-based policy approach to trading rules.
- Consideration should be given to shifting winterfill licences to licences for high flow periods of take.

Recycled Water:

- Focus on expanding access to recycled water:
 - Pakenham Scheme for Koo Wee Rup
 - Recycled Water to Werribee from the Western Treatment Plant
 - SRW will continue to advocate for water from the Eastern Treatment Plant to be made available for irrigators.

Macalister Irrigation Area:

- Continue to work to improve the flood warden system
- Progress the project to improve the ordering system in the district to reduce impacts to customers during periods of high demand.

Mitchell River

- Ensure all customers are engaged proactively in the Sustainable Water Strategy project.

It was **agreed** that SRW will:

- Proactively communicate to customers rostering and river restriction information.
- Educate and encourage water trading with a focus on sleeper licences.
- Develop communications on how to access Winterfill flows.
- Will support information flow and communication to customers in regard to the recommendations from the Snowy River Chamber of Commerce Report.
- Review customer records to understand the issue raised with water being allocated to incorrect titles.

- Understand trends in Sales Water volumes and engage with irrigators for the Mitchell River Management Review.

Action	Action Officer	Due Date
Proactively communicate to customers rostering and river restriction information	R. TOMLIN	13/12/2024
Develop communications on: <ul style="list-style-type: none"> • how to access Winterfill flows, • Educating and encouraging water trading with a focus on sleeper licences 	P. WINBANKS	13/12/2024
Review customer records to understand the issue raised with water being allocated to incorrect titles.	P. WINBANKS	29/12/2024
Understand trends in Sales Water volumes and engage with irrigators for the Mitchell River Management Review.	T. FLYNN	13/12/2024

6.2 Groundwater and Rivers update

The report was taken as read.

The committee inquired as to how the name 3/4 Bench came to be. The Managing Director explained it originated from the name of the coal seam that the water was allocated to which was originally intended to support future coal fired power generation in the Latrobe Valley.

6.3 Compliance Uplift update

Mr Cameron FitzGerald provided an update of SRW's compliance uplift including an update on current catchment based investigations, the new Groundwater and Rivers team structure which supports the compliance uplift, and a case study on a recent prosecution. He upon discussion with the committee it was highlighted:

- The budget for costs associated with matters before VCAT or legal costs come from SRW's licence fees.
- Fines do not cover costs associated with investigating compliance matters, but for area's that have been identified as required intensive monitoring, an intensive management fee can be applied, and these are considered through the price submission process.
- As part of the role, SRW's Drilling Inspector assesses licensing applications, marks tests and is the SRW is the secretariat of the Drillers Licencing Board.

6.4 Small Farm Dams – project update

Mr Matthew Hudson, Principal Hydrogeologist, SRW provided an update on the Small Farms Dam project highlighting:

- The project is formally known as the Moorabool and Maribyrnong Water Resources Project.
- The project is funded by DEECA with the scope to:
 - To identify the extent and impact of unlicensed take in the Moorabool and Maribyrnong catchments,
 - To engage with the community and stakeholders,
 - To assess the risk to the key catchment values including cultural values, environmental values and economic values (users),
 - To incorporate an assessment of climate change, and
 - To identify and report on potential management improvements
- Alluvium and HARC consultants have been appointed to deliver the project
- A stakeholder reference group has been established consisting of representatives from Traditional Owner Groups, farmers, residents, environmental groups and government stakeholders. The first meeting of the group will be held on 10 December 2024.
- The next phase of the project will work to understand water use and identify catchment values.

The committee thanked Mr Hudson for the presentation.

6.5 Trade Platform – project update

Mr Clinton Hartley, Strategy and Business Advisor provided an update on SRW's Trade Platform project highlighting:

- The options considered when choosing an appropriate trading platform,
- The work undertaken to identify rules around trading including identification of aquifers and developing a matrix to support trades. This matrix will assist WaterPartners to undertake a pre-assessment of potential trades. This assessment will consider trading rules and a risk assessment. For trades deemed to be possible the information will then be provided to SRW to process.
- A trial for groundwater trading will commence for S51 licence holders in the South West Limestone shortly. Depending on the results of the trial, SRW will then look to roll out the trading platform to other areas of the state.

The committee thanked Mr Hartley for the presentation.

6.6 Distribution options for water from 3/4 Bench

Mr Terry Flynn, Manager Water Resources Strategy, provided an update on distribution options for water from the 3/4 Bench highlighting:

- Modelling will be completed to determine the total volume that could be sustainably licenced.
- SRW will also work with other stakeholders to determine the cost share of the management of Blue Rock.
- SRW is working closely with GLaWAC, and VEWH and DEECA to finalise waters haring arrangements.

The Chair recommended suitability studies to access the water for irrigation are completed prior to the sale of water.

The committee thanked Mr Flynn for the presentation.

7. PRINCIPLE MATTERS – FOR NOTING

7.1 Communications Report

The report was taken as read.

8. COMMITTEE MATTERS

8.1 Important issues from other customer committees

Mr Cameron FitzGerald, Managing Director, SRW advised:

The recent MCCC meeting focused on:

- how to best manage the operation of the system during periods of high demand ensuring fair access to water for all irrigators.
- the sale of water savings to all irrigators. Temporary and permanent water sales will commence at the end of November 2024.

Werribee Reconfiguration Project – after the fifth meeting with customers and stakeholders it was agreed that a Federal Funding application will be submitted to progress the project to move to a fully recycled water supply to the district and returning river water to Traditional Owners, the environment and urban water supply. DEECA, Greater Western Water, Melbourne Water and SRW have committed to funding half the project, and the Federal Funding application is seeking the other half. There has been a high level of positive engagement with Werribee Irrigators around this project.

8.2 Matters referred to/by the Board/Board Committee

The Managing Director and Board Directors provided an update on matters that are currently being considered by the board highlighting:

- The board and Executive Team recently participated in a strategy session, which is an opportunity to look to the future. During the session the following items were discussed:
 - Climate Change
 - Workforce of the Future
 - Capability
 - Energy opportunities
 - Population growth and land use changes, and
 - Technology opportunities, including AI etc to enhance capability across the business in areas such as compliance and water management.

8.3 2025 Committee workplan

The committee **noted** the 2025 committee workplan.

8.4 2025 meeting schedule

The committee **noted** the 2025 meeting schedule.

9. General Business

The Chair called for any items of General Business.

Mitchell River Water Sale – Winter fill Licences – Daniel Hammond

Mr Daniel Hammond, Committee Member discussed the issues customers have faced regarding the issuing the Mitchell River Winterfill licences from the auction in 2023. Several customers have still not received their licence and have therefore missed the 2024 Winterfill period. It was recommended that the Expression of Interest (EOI) process that occurs prior to the sale, should allow for the checks and balances to be completed and ensure the water can be taken. It was also reported that communication throughout the process has been poor.

The aim of raising this matter is to ensure that future sales do not face the same issues.

The Managing Director acknowledged the feedback, apologised for the delay in issuing licences and communication breakdown and committed that SRW will work to ensure process are in place, so this scenario is not repeated.

In regard to the current outstanding licences, SRW was meeting with the CMA on 15 November 2024 to discuss any outstanding requirements.

The committee made the following recommendations to reduce impacts to customers participating in these types of sales:

- EOI process allows for external checks to be completed to ensure the water can be taken,
- A deposit is taken at the time of sale and consider full payment is made once the licence is ready to be issued,
- Greater clarity is provided before a sale to get an early indication of requirements per Irrigation Development Guidelines and consider whether previous information provided by irrigators can be used during future sales.

The Managing Director reiterated that SRW will use this feedback to enhance our approach, apologise when things go wrong and work to fix these issues.

10. Meeting evaluation

The committee agreed to skip this item due to the meeting running overtime.

11. Next meeting

The next meeting of the Southern Groundwater and Rivers Forum will be held on Friday 7 February 2025 via MS Teams.

12. Close

With no further business the meeting was declared closed at 12:20pm.