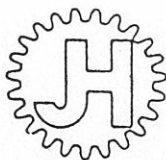


- TRANSMITTAL
- MINUTE
- INSTRUCTION



1

JOHN HUMPHREYS & ASSOCIATES PTY. LTD.

CONSULTING MECHANICAL ENGINEERS
13 KABBERA BLVD. KELSO. 2795 - PHONE: (02) 6331 5717

14/4/05.

FOR NON-RESIDENTIAL PAYER'S

DATE:

OBJECTIVE: - TO ACHIEVE AN APPROPRIATE SEWER USAGE CHARGE FOR THE ESTIMATED VOLUME DISCHARGED TO THE SEWERAGE SYSTEM, TOGETHER WITH AN ACCESS CHARGE BASED ON THE CAPACITY REQUIREMENTS THAT THEIR LOADS PLACE ON THE SYSTEM RELATIVE TO RESIDENTIAL CUSTOMERS. (JOB: (p6 BEST PRACTICE GUIDELINES))

ie: NON-RESIDENTIAL COST/KL APPROXIMATING THE RESIDENTIAL COST/KL.

HOW TO ACHIEVE THE ABOVE:

IF ACTUAL METER SIZING IS TO BE RETAINED: -

1 TO COMPENSATE FOR THE WATER METER BEING OVERSIZED FOR THE PURPOSES OF FIRE FIGHTING, EITHER A INTRODUCTION A FACTOR INTO THE ACCESS CHARGE TO COMPENSATE FOR O'SIZED METER

OR

B PROVIDE COMPENSATION IN THE S.O.F. TO ALLOW FOR O'SIZED METER (ORANGE COUNCIL)

2 LOWER THE AVAILABILITY CHARGES

THIS WILL INEVITABLY LEAD TO AN INCREASE IN THE RESIDENTIAL CHARGES, BUT WITHOUT A STRONG COMMERCIAL/INDUSTRIAL SECTOR, THE FUTURE OF THE CITY IS QUESTIONABLE.

DISCUSSION

IT WOULD SEEM THAT THERE ARE 2 SEWERAGE NON-RESIDENTIAL GROUPS IN THIS ISSUE

- TRANSMITTAL
- MINUTE
- INSTRUCTION



JOHN HUMPHREYS & ASSOCIATES PTY. LTD.

CONSULTING MECHANICAL ENGINEERS
13 KABBERA BLVD. KELSO. 2795 - PHONE: (02) 6331 5717

DATE:

JOB:

1 MINIMAL WATER USERS (FABRICATION, COMMERCIAL, STORAGE ETC)

2 HEAVY WATER USERS (FOOD PROCESSING, SCHOOLS, UNI)

I BELIEVE THERE IS A CASE FOR "SUSIDISING" HEAVY WATER USERS TO A DEGREE FOR THE FOLLOWING REASONS:

A ATTRACT NEW MANUFACTURING TO BATHURST

B MANUFACTURING/SCHOOLS BASED IN BATHURST PROVIDE A LARGE PERCENTAGE OF THE LOCAL EMPLOYMENT.

C THE SCHOOLS/UNI BRING MONEYS INTO BX FROM OUTSIDE AREAS (KIOS SPENDING) MOTELS ETC.)

[Handwritten Signature]

2 BEST PRACTICE/USER PAYS SEWER CHARGES (26.00010) - Item prepared by Bob Roach

Recommendation: That Council not amend its policy and procedures in relation to user pays sewer charges for Council's ratepayers.

Report: At Council's meeting held in June 2004 Council adopted a new best practice/user pays sewer pricing model in respect to sewer services provided to ratepayers for 2004/2005 year. These new charges were the result of an investigation carried out by Council in order to comply with the directions of the NSW Government that Councils must adopt a best practice/user pays sewer pricing system in relation to services provided to ratepayers in the former Bathurst City Council area.

These charges became effective from 1 July 2004 and have been operational since.

With the introduction of a new type of system Council encountered some problems in relation to the introduction of these sewer services. Council has been working with several of these ratepayers in respect to satisfying their requirements and making it an equitable system for all those concerned.

With the election of the new Council in March 2005, there was a request from Council to revisit the sewer charges and the method of introduction of the new system. All Councillors have been supplied with complete details and models of how the previous/former Council were informed of the necessary information needed to introduce a new sewer charge which complied with the NSW Government directions for the introduction of best practice/user pays sewer modelling.

The review included the following considerations:

- (a) There is to be no cross subsidy between classes of customers as outlined in the Best Practice/User Pays Sewer Guidelines.
- (b) The total yield or income from the Sewer Fund is to reflect the cost of operations as well as providing for the future capital replacements needed to operate the sewer operations of Council.
- (c) The access charges have again been modelled on the water meter size.
- (d) In respect to using a system of 'nominal meter access' charges to compensate for the water meter being oversized for the purpose of the fire fighting, consideration was given to addressing this matter.

As advised in points (a) and (b) above, Council needs to raise sufficient funds to operate its sewer system without any cross subsidisation. By changing to a 'nominal access' charge, this may lead to a reduction in income from the 'non-residential' section and an increase in residential charges. This may result in a cross subsidy and would not be acceptable under the Best Practice/User Pays Sewer Guidelines issued by the NSW Government.

- (e) As previously advised, Council needs to continue monitoring the affects of user

Carters

155
ACH 002 241 411
3 Toronto St
Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 2576
Email rhcarter@ix.net.au
www.carterbros.com

14/05/2005

Mr David Sherley
General Manager
Bathurst Regional Council
Civic Center Bathurst

Dear Mr Sherley

In relation to the matter of Sewer Access Charges BRC Management Plan.

Please note that Council has received hydraulic consultant John Humphrey's report on this matter as suggested by Minister Mr Frank Sartor.

As the representative of the Bathurst Chamber of Commerce charged with having this report done for the Chamber we expect that Council will consider the points made in this report and reply as to how it has been considered in the implementation of the Sewer Access Charge.

Yours sincerely



Ray Carter
Director

Mobile Phone 0407 258882
Fax 6332 3185

Carters

Carter Bros Engineering Pty Ltd

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ACN 002 244 411
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Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 2576

11/09/ 2005

Mr David Sherley
General Manager
Bathurst Regional Council
Civic Center Bathurst

Dear Mr Sherley

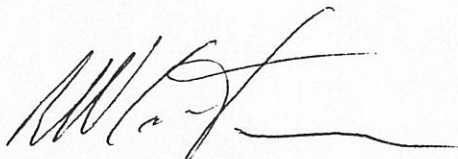
In relation BRC letters dated 24 March & 5 April 2005

Could you please arrange a meeting for myself with Mr Russell Deans regarding the SDF factors addressed in your correspondence. There are some of these calculations which we do not agreed with. We would like to discuss with your staff how some of these have been arrived at, for instance at 2 Littlebourne St you SDF at 75% allows for some 2000Kl to enter the sewer system which is hardly the case.

Please also note the works request/advise with my note and request for a meeting.

Also note my contention that it patently unfair that BRC should charge the Access Charge such that it includes the Water Meter component size for the provision of fire fighting hose reels. BRC has implemented this because it contends that the fire hose reels are used for purposed other than fire fighting. In our buildings there is the provision of ordinary water cocks for this purpose. Where this can be shown, is BRC prepared to treat this matter in a more fair manner and carry out an assessment on each property as you have done with the SDF ?

Yours sincerely



Ray Carter
Director

Mobile Phone 0407 258882
Fax 6332 3185

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Carter Bros Engineering Pty Ltd

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ACN 002 244 411
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Email ray@carterbros.com

7/11/ 2005

Mr David Sherley
General Manager
Bathurst Regional Council
Civic Center Bathurst

Dear Mr Sherley / *Mr Bob Roach*.

In relation to the matter of Sewer Access Charges

Mr Roach informed me that a review is to be made of the above charge. I have not received any formal written notice of that but I expect that will be forthcoming to myself and all other interested parties.

To summarise my objections I put the following

- 1 BRC should not use of the full size of water meters, where capacity is in place for the fighting of fires, in the calculation of the access charge, cannot, in reality reflect the true load on the sewer system. A nominal size is appropriate.
- 2 The over simplified use of just three SDF factors ie 50,75 and 95 does not allow for fair calculation where in some cases the SDF is in reality as low as 5. The SDF should be a properly calculated figure and not arbitrary.
- 3 BRC has not indicated, as it should, that the SDF calculation is an annual event.

Please use all previous submissions including through the Chamber of Commerce in the review.

In regard to the downsizing of water meters as per the BRC agreement form dated 20 Sept 05 ; please hold this in abeyance. Such work would be superfluous if BRC were to use a nominal size for water meters as was mentioned to me at the meeting, which I am sure the State Minister agrees with.

Yours sincerely



Ray Carter
Mobile Phone 0407 258882

3 Toronto St
Bathurst 2795

7/11/2005

Mr Frank Sartor
Minister for Energy and Utilities
NSW State Government

DEUS Ref: 05/1077

Dear Mr Sartor

Thank you for your reply and encouragement in regard to this matter. I did speak by phone to BRC Mayor, Councillor Norm Mann in regard to remaining lack of fairness in BRC'S interpretation of the Sewer Access Charge, pointing out that I should seek fair and transparent debate on it as you suggested. The impression that I was clearly given by Mayor Mann was that the matter had indeed been already fairly debated and that it maybe was about time it was closed. I pointed out that I was still dissatisfied with the fact that the water meter size including that portion available for fire fighting was being used in the calculation of a Sewer Rate and also with the SDF factors allocated to some of my properties using as an example one where the SDF had been 95%, (as were all of our other properties initially; as was BRCs blanket factor for all properties), which has now been reduced to 75%. I pointed out that the real SDF on this particular property should be about 5%. Mayor Mann then to my amazement said that no property had had SDFs of 95% and therefore I formed the opinion that Mayor Mann was indeed very uninformed on the matter, so I faxed to him your letter along with our initial SDF assessments which were indeed all 95%.

Perhaps as a result of this, BRC intend to review the matter of the Sewer Access Charge in this month of November 05.

I was consequently invited to a meeting with Mr Roach of BRC at which two Council engineers, Mr David Swan and Mr Russell Deans were present. Mr Roach informed me that the review would was going to take place and that I could make further representation. Mr Roach pointed out that I had indeed made valid points in regard to the fairness of the Sewer Access Charge and this was the opportunity to restate them. He said that he would he would put up his case on the matter to Council and when I suggested him being the Financial Manager, that this was the revenue raising side of things, he agreed that I had got it exactly right. As of this date there has been no formal advertisement or invitation to participate in this matter to others.

As you know, at your suggestion last year, I caused a study to be commissioned on the matter by an independent hydraulics engineer. The study was indeed given to Council and Mr Roach acknowledged the study but to my great surprise said that the study concluded, in his opinion, that the residential ratepayers should subsidise the non-residential ratepayers in the matter of the Sewer Access Charge. At the time I felt somewhat astounded that such a conclusion could be drawn from the report but we went on to talk of other things, including the fact that Bathurst indeed has just about the cheapest water supply charges in the State, as I believe. In a report to Council on a previous occasion the option of increasing the general water rate was put forward to Council. I made the point that perhaps it is the overall pricing for water that is the thing ie. the fairest option that should be looked at and we skirted around this touchy issue, as on that day Mr Deans photo was in the local paper at the top of the wall of the brimming, newly raised Chiffley

Dam. Perhaps I may be the one who in the name of fairness for Sewer Charges causes the water rate to be debated or raised for residents, or perhaps Mr Roach has in mind to bring this no doubt potentially unpopular matter to the fore at the Council meeting, and me, being about the last one vocally opposing the unfairness of the sewer access charge, squarely into the spotlight of the Councillors and perhaps the public.

After the meeting I phoned Mr John Humphries (the author of the report) and told him of the conclusion that Mr Roach had drawn from his report and how no doubt this was the conclusion Mr Roach would use in his forthcoming report to Council. Mr Humphries seemed to be taken back by what I had just told him and said that that it would be 'impossible' to draw such a conclusion and it was indeed the 'opposite' to what was intended. I must point out to you that Mr Humphries, as well as being the author of the report, has apparently made personal submissions to BRC in regard the unfairness of their implementation of the Sewer Access Charge on his own properties. Mr Humphries is, I believe, the only professional practicing hydraulics engineer in Bathurst and enjoys respect as such. Mr Humphries is frequently engaged by BRC on consultation work.

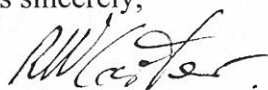
If Mr Humphries had some consternation in regard to the conclusion that Mr Roach had made from his report I have a greater consternation; having regard to the following:-
At the time that Mr Humphries produced or was in the process of producing his report Mr Humphries received a phone call from Mr Roach who apparently inquired as to his fitness to do such a report, when he was at times, the recipient of works contracts from Council. Apparently Mr Humphries was affronted by this and reported the matter by fax back to Council, as no doubt would be appropriate.
I do not know if Mr Humphries has confronted Mr Roach in regard to the erroneous conclusion that he is making on the report.

What I do know is that you have acknowledged that more fairness should be injected into BRC's implementation of the Sewer Access Charge and also that Mr Roach conceded that I had made some points in that regard.
I have worked hard to acquire a few properties in Bathurst, adding to employment and such things. Probably because I have a few properties I have felt the unfairness of this matter more than others, who, maybe having just one property, have not had the energy to follow through on the matter and therefore submit to it. This does not detract from the fact that unfairness, small or not, should be addressed properly wherever it occurs. Those small bits I believe, add up to several hundred thousands for small to medium Bathurst businesses.

I do also know that I do not have the strong personal persuasives of Mr Roach, nor should I be put through all of this when it is quite apparent, as Mr Roach himself acknowledged at the meeting we had, that it is the legislation and Guidelines that are deficient.

Clearly the matter will not be resolved fairly until it is addressed by yourself. I continue to hope that you will see fit to give a directive on the issue.

Yours sincerely,



Ray Carter
Carter Bros Engineering
m 0407258882



NEW SOUTH WALES

MINISTER FOR ENERGY AND UTILITIES
MINISTER FOR SCIENCE AND MEDICAL RESEARCH
MINISTER ASSISTING THE MINISTER FOR HEALTH (CANCER)
MINISTER ASSISTING THE PREMIER ON THE ARTS

DEUS Ref: 05/1077

Mr Ray Carter and Mr Lachlan Sullivan
Carter Bros Engineering Pty Ltd
3 Toronto Street
BATHURST NSW 2795

160
- 5 JUL 2005

Dear Mr Carter and Mr Sullivan

I refer to your letter of 17 May 2005 regarding the implementation of best-practice sewerage pricing by Bathurst Regional Council.

I note your letter refers to the use of fire hose reels for washing down hard surfaces at your premises. This is certainly not sound practice and I would strongly recommend that you cease such use of fire hose reels. However, while this practice continues, Bathurst Regional Council is correct in applying the full sewerage access charge. Hose reels deliver significant peak loads on both the water supply and sewerage systems. The suggestion in your correspondence that such loads may be transferred to the stormwater system is a matter of concern, as any pollutants entering the stormwater system are likely to be discharged to the environment untreated. Under such circumstances, I fully support the full sewerage access charge being levied by Council together with any relevant liquid trade waste charges.

However, I agree that businesses that do not use their fire hose reels should not be charged the full sewerage access charge. Following receipt of your letter, the Department of Energy, Utilities and Sustainability has again spoken with Bathurst Regional Council officers regarding Council's implementation of sewerage pricing. It was agreed that Council would be willing to consider developing a rebate scheme for businesses with a connection sized for fire flows. For such a business which can demonstrate conclusively that no water was used through its fire hose reel or hydrant in a particular billing period, Council would grant an appropriate rebate towards the business's sewerage access charge for that billing period.

Accordingly, I would encourage you to approach Bathurst Regional Council regarding development of a fair and transparent rebate scheme for businesses.

Thank you for bringing this matter to my attention.

Yours sincerely



Frank Sartor

Level 31, Governor Macquarie Tower, 1 Farrer Place, Sydney NSW 2000
Telephone: (02) 9228 4700 Facsimile: (02) 9228 4711 Email: office@sartor.minister.nsw.gov.au

2 BEST PRACTICE/USER PAYS SEWER CHARGES (26.00010) - Item prepared by Bob Roach

Recommendation: That Council not amend its policy and procedures in relation to user pays sewer charges for Council's ratepayers.

Report: At Council's meeting held in June 2004 Council adopted a new best practice/user pays sewer pricing model in respect to sewer services provided to ratepayers for 2004/2005 year. These new charges were the result of an investigation carried out by Council in order to comply with the directions of the NSW Government that Councils must adopt a best practice/user pays sewer pricing system in relation to services provided to ratepayers in the former Bathurst City Council area.

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3 Toronto St
Bathurst 2795

7/11/2005

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Minister for Energy and Utilities
NSW State Government

DEUS Ref: 05/1077

Dear Mr Sartor

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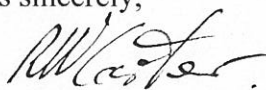
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Clearly the matter will not be resolved fairly until it is addressed by yourself. I continue to hope that you will see fit to give a directive on the issue.

Yours sincerely,



Ray Carter
Carter Bros Engineering
m 0407258882

Council has the following Charter enshrined in the Local Government Act:

"8(1)[The charter] A council has the following charter:

- to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively
- to exercise community leadership
- to exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism
- to promote and to provide and plan for the needs of children
- to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development
- to have regard to the long term and cumulative effects of its decisions
- to bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible
- to facilitate the involvement of councillors, members of the public, users of facilities and services and Council staff in the development, improvement and co-ordination of local government
- to raise funds for local purposes by the fair imposition of rates, charges and fees, income earned from investments and, when appropriate, by borrowings and grants
- to keep the local community and the State Government (and through it, the wider community) informed about its activities
- to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the Council is affected
- to be a responsible employer."

The Vision, Mission and Key Directions of Bathurst Regional Council are contained in Council's adopted Management Plan and are as follows:

"Council's Vision

To enhance the lifestyle and environment through effective leadership, community involvement and community service.

Council's Mission

The equitable development and maintenance of services provided for the general health and well being of the citizens of the Bathurst region and the adjustment of these services to meet the changing needs.

Key Directions

The Management Plan has been developed based on the Council's key identified directions:

Leadership

To provide a regional centre with a country lifestyle and cosmopolitan opportunities that encourages economic growth; provides well-planned services and facilities; and ensures the strategic provision of services and facilities to meet the needs of the community.

BATHURST
REGIONAL COUNCIL



Civic Centre
Cnr Russell & William Sts
Private Mail Bag 17
Bathurst NSW 2795

Telephone 02 6333 6111
Facsimile 02 6331 7211
council@bathurst.nsw.gov.au
www.bathurst.nsw.gov.au

165

11 April 2006

Mr Ray Carter
Director
Carter Bros Engineering Pty Ltd
3 Toronto Street
BATHURST 2795

Dear Mr Carter

Council refers to your correspondence dated 10 April 2006 concerning sewer access charges.

The fee structure adopted by Bathurst Regional Council is in accordance with Best Practice guidelines. Each year Council reviews its Revenue Policy and your letter will be referred to Council as part of the Council's deliberations.

Yours faithfully

D J Sherley
GENERAL MANAGER

Reference: DS:WM : 26.00010-02
Enquiries: Mr D J Sherley 02 6333 6201

Carter Bros sewer access charges

Carters

Carter Bros Engineering Pty Ltd

ACN 002 244 411
3 Toronto St
Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 2576

1
166

10/04/ 2006

Mr David Sherley
General Manager
Bathurst Regional Council
Civic Center Bathurst

Cc Mayor Norm Mann

Dear Sirs

In relation to the matter of Sewer Access Charges and BRC forthcoming Management Plan.

Late last year I met with Mr Roach on this matter. Present also were Mr David Swan and Mr Russell Dean from Councils engineering dept.

Mr Roach conceded at that meeting, that there was merit in the contention that I have continually put forward, that the "sewer charge should reflect the usage" I believe that meeting came about at the request of someone from DEUS. By deduction it should now be clear that Councils present charge is not fair.

Mr Roach must believe that this is a political matter for he suggested that I make representations along that avenue. This matter is not a political one; it is simply one of fairness and transparency. The charge should reflect the usage. All of these have been reiterated to me by the Minister, copy of which I can provide. Reasonable deduction should arrive at a simple use of a nominal size for water meters in the calculation not the unworkable complex annual rebate system I believe Mr Roach has put to the Dept.

Mr Roaches contention that water from hose reels is being put in the sewer system is a very poor basis for this charge and indeed is a poor inditement on Council's therefore admitted lack of control of trade waste by the engineering department dedicated to such control.

I received a letter saying that this matter is to be reconsidered for the forthcoming management plan. Could you please ensure that my representations to now are considered by the pertinent people.

Yours sincerely

Ray Carter
Director



Mobile Phone 0407 258882
Fax 6332 3185

4
167

17 May 2006

Carter Bros Engineering Pty Ltd
3 Toronto Street
BATHURST NSW 2795

Dear Sir

I refer to your letter of 2 May 2006, in which you raise matters relating to the Sewer Access Charge and forthcoming Management Plan.

Please be advised that this matter will be presented to Council as a Submission in relation to the Sewer Access Charge that Council is proposing to charge.

Following consideration of your Submission you will be advised of the outcome.

Yours faithfully



R Roach
DIRECTOR
CORPORATE SERVICES AND FINANCE

Carters

Carter Bros Engineering Pty Ltd

ACN 002 244 411
3 Toronto St
Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 2576

(3)
168

2/05/2006

Mr David Sherley
General Manager
Bathurst Regional Council
Civic Center Bathurst

Cc Mayor Norm Mann

Dear Sirs

In relation to the matter of Sewer Access Charges and BRC forthcoming Management Plan.

The minister for Energy and Utilities has been told by Bathurst Regional Council that "Council would be willing to consider developing a rebate scheme for businesses with a connection sized for fire flows. For such a business which can demonstrate conclusively that no water was used through its fire hose reel or hydrant in a particular period, Council would grant an appropriate rebate toward the business's sewer access charge for that billing period"

Has Council implemented this scheme?

Yours sincerely



Ray Carter
Director

Mobile Phone 0407 258882
Fax 6332 3185



New South Wales

David Campbell

Minister for Water Utilities
Minister for Small Business
Minister for Regional Development
Minister for the Illawarra

MO Ref: SD0600867
DEUS Ref: 06/109

Mr Ray Carter
Carter Bros Engineering Pty Ltd
3 Toronto Street
BATHURST NSW 2795

- 9 MAY 2006

Dear Mr Carter

I refer to your letter of 7 November 2005 to the Hon Frank Sartor MP, Minister for Planning, regarding the implementation of best-practice sewerage pricing by Bathurst Regional Council, and your fax of 30 January 2006 to Mr David Nemptzow, Director-General of the Department of Energy, Utilities and Sustainability (DEUS). These matters fall within my portfolio as Minister for Water Utilities.

As noted in former Minister Sartor's letter to you on 5 July 2005 (copy attached), Bathurst Regional Council had given an undertaking to review sewer access charges for customers with connections sized for fire flow requirements. Such reductions would be based on an independent hydraulic assessment and would be conditional upon use of the fire hose reels only for fire fighting purposes. I further draw your attention to the second paragraph of Mr Sartor's letter and reiterate that fire hose reels should not be used for washing down of hard surfaces and that any such hosedown water discharged to the stormwater system may pollute the environment.

Your concern at the introduction and implementation of best-practice sewerage pricing is noted, however, such tariffs are designed to ensure all customers, whether business or residential, pay a fair share of the costs of delivering sewerage services. High usage and large connections impose higher operating and capital costs on the sewerage system and a fair tariff must reflect this.

I am advised in 2005, Bathurst Regional Council commissioned a hydraulic assessment at each of your properties. As a result of this study, I understand that Council's letter of 5 April 2005 to you has proposed a meter downsizing program on 8 of your connections; and significant reductions in the sewer discharge factor at 10 of your 13 connections. All costs for meter downsizing would be met by Council and the resulting rebate backdated to July 2004.

*To do with downsizing.
Nothing to do with "load put on the sewer" the crux of my matter.*

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MO Ref: SD0600867
DEUS Ref: 06/109

The proposed reductions would result in sewer access charges being reduced by over \$11,000, or around 45% based on the 2005/06 sewerage tariff. Usage charges would also be significantly lower as a result of these reduced discharge factors. Accordingly, I would encourage you to accept Council's offer.

Whilst the Department of Energy, Utilities and Sustainability will continue to closely monitor tariff reforms, I believe Bathurst Regional Council has taken appropriate steps to ensure businesses such as yours are treated fairly.

If you require any further information on this matter, please contact Mr Scott Chapman, Manager, Best-Practice at the Department of Energy, Utilities and Sustainability on (02) 8281 7335 or 0417 236 373.

Yours sincerely



David Campbell
Minister for Water Utilities
Minister for Small Business
Minister for Regional Development
Minister for the Illawarra

Encl.

Carters

Carter Bros Engineering Pty Ltd

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3 Toronto St
Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 2576
Email ray@carterbros.com

6/06/06
Mr David Campbell
Minister for Utilities

Cc Attn Mr Scott Chapman
Best Practice at DEUS
GPO Box 5341
Sydney
NSW 2001

Dear Sirs

Your ref – MO Ref SDO600867 DEUS Ref: 06/109

Could you please explain the following:

In your letter dated 9 May 2006 (copy attached) and to quote from the third paragraph, “High usage and large connections impose higher operating and capital costs on the sewerage system and a fair tariff must reflect this”

If the water meter (the large connection you mention) is larger than the Nominal Size required to service the domestic needs of a factory or warehouse, simply as standby capacity for emergency use;

- a) how do you justify and infer that this incurs “ higher operating and capital costs” of the magnitude imposed by the Access Charge based on that meter size?

- b) Surely you do not mean that the **capital one off cost** of the larger water meter required for emergency fire fighting constitutes the basis of the annual unrelated, ongoing substantial Sewer Access Charge. As the capital cost of a larger water meter (needed only in emergency situations) is the only cost involved and it is a cost relating to fire services in any case; how do you connect it to a Sewer Access charge or if indeed you do, justify the magnitude of the Access Charge when by your own Guidelines you state, (See Best Practice Management p6. b) Sewer Pricing.) “... with an access charge based on the capacity requirements that their **loads place** on the system **relative** to residential customers” How do you justify the method of allowing the Access Charge the way BRC doing that at present?

- c) You mention “high usage” being the basis of a “fair tariff”. The capacity of the water meter over that required for the domestic requirements is there only for fire fighting

emergencies. There is mostly **zero** usage of that capacity (unless there is a fire), yet the standing Access Charge reflects this "high usage" you speak of in you letter. Because you allow the charge to be based on the full size of the water meter and not a nominal one, the Access Charge is in reality a charge on emergency Fire Fighting capacity. I do not believe you are able to refute this; but I would be pleased to have an explanation.

Many of the type of buildings I speak of use less water than an average house yet the charge for sewer is not "relative" to the domestic charge whatsoever, as required in your Guidelines.

We are aware that water meters can be downsized where there is excess capacity for fire fighting, also that BRC have said that they will consider a rebate system on which I await a reply. We are aware that no wash down water is allowed to go into the Stormwater system and also that any water which enters the Sewer System is subject to NSW trade waste provisions, so could you please keep these issues separate.

Yours faithfully



Ray Carter
Director
Mobile Phone 0407 258882

22 June 2006

Mr Ray Carter
Carter Bros Engineering
3 Toronto Street
BATHURST NSW 2795

Dear Ray

Sewer Access Charges

At Council's meeting held on 21 June 2006, Council received your submission in relation to sewer access charges which are contained within the Bathurst Regional Council Management Plan.

Council considered your submission and resolved that it not amend its Management Plan for 2006/2007 in respect to sewer access charges.

Accordingly you are advised that the charges as set out in Council's Revenue Policy will remain as advertised.

Thank you for your submission.

If you wish to discuss this matter further, please do not hesitate to contact me on 6333 6257.

Yours faithfully



R Roach
DIRECTOR
CORPORATE SERVICES & FINANCE



Civic Centre
Cnr Russell & William Sts
Private Mail Bag 17
Bathurst NSW 2795

Telephone 02 6333 6111
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council@bathurst.nsw.gov.au
www.bathurst.nsw.gov.au

20 June 2006

Mr G Fry
Acting President
Bathurst Chamber of Commerce Inc
PO Box 293
BATHURST 2795

Dear Mr Fry

User Pays Sewerage

Council refers to your correspondence dated 8 June 2006 concerning User Pays Sewerage.

In regards to this issue, Council does not agree that this matter has not been resolved satisfactorily. Whilst not all will agree with Council revenue charging policies, the issue of User Payers Sewerage has included extensive debate and Council has given "in depth" consideration prior to adopting the existing charging structure.

Councillors have held Discussion Forums and workshops on the matter, including consideration of submissions as part of the annual Management Plan process. The recent submission from Mr Ray Carter, attached to your letter, will be referred for consideration by Council at its meeting on 21 June 2006.

Council notes that in early 2005, Council received and considered a report from John Humphreys & Associates Pty Ltd on behalf of the Chamber on User Pays Sewerage. At Council's meeting on 22 June 2005, the Council resolved:

"That Council not amend its Management Plan for 2005/2006 in respect of the sewer access charges and in particular the hydraulic report received by the Bathurst Chamber of Commerce's Consultant, Mr John Humphreys."

To assist in the implementation of User-Pays Sewerage, Council resolved on 21 July 2004:

- (a) Engineering staff be made available to provide on-site preliminary assessment and consultation;
- (b) That Finance staff be made available to explain the principles of best-practice pricing;
- (c) That Council provides a Hydraulic Engineer in the first year of best-practice sewer pricing to assess requests for downsizing and rationalising of meters;

Reference: DS:WM :26.00010
Enquiries: Mr D J Sherley 02 6333 6201
Chamber of Commerce Unit 17/18/19/20/21/22/23/24/25/26/27/28/29/30/31/32/33/34/35/36/37/38/39/40/41/42/43/44/45/46/47/48/49/50/51/52/53/54/55/56/57/58/59/60/61/62/63/64/65/66/67/68/69/70/71/72/73/74/75/76/77/78/79/80/81/82/83/84/85/86/87/88/89/90/91/92/93/94/95/96/97/98/99/100

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Acting President
Bathurst Chamber of Commerce Inc
20 June 2006

- (d) That the cost of downsizing or removing meters be met by Council;
- (e) That nominal sizing of meters is not used for calculating access charges due to the common practice of using fire hose reels;
- (f) That no community service obligation be provided for non-rateable properties as most of these are State Government bodies (eg schools, hospitals) and by doing so it will re-introduce cross-subsidies that will result in Council not meeting the Best Practice Guidelines;
- (g) That if it is determined by the Chief Financial Officer that the increase in sewer prices (including trade waste fees) is substantial and would create financial pressures, an agreement may be entered into to introduce the charges over a three year period. This will be done by individual application.
- (h) Carry out a review of Sewerage Discharge Factors. This review will be carried out on request by Council's Engineering Department provided that sufficient information is given to warrant that review. In the first year of best-practice sewer pricing any adjustment will be effective from 1 July 2004. Reviews requested in following years that result in an adjustment from the date of receipt of the initial request."

In regards to meter sizes, Council has put in place a regime to assist businesses, where the required meter size could be reviewed and downsized at Council's cost if approved.

In respect to the Sewerage Discharge Factor (SDF), Council gave all businesses the opportunity to have this component reviewed. A number of businesses took this opportunity and Council's staff have completed all reviews and where appropriate, changes have been made.

Given, that the access charge is based on the "actual" meter size installed, rather than some subjective "nominal" size, it is not understood how the proposed site visit will achieve anything. If you wish to sight some meters, Council's Engineering Department would be happy to facilitate this.

Yours faithfully



D J Sherley
GENERAL MANAGER

MEETING REQUEST FORM

**THE BATHURST CABINET MEETING
MINISTERIAL MEETINGS**

TUESDAY, 15 August, 11:30 am - 1:00pm

VENUE: Bathurst Memorial Entertainment Centre, William St, Bathurst.

Please tick box if wheelchair access is required

**REQUESTS MUST BE RECEIVED NO LATER THAN
5:00 PM, MONDAY, 7 AUGUST 2006**

Please fax completed forms to the Cabinet Secretariat on: Fax No. (02) 9228 4880

For enquiries, please call: (02) 9228 5242

Meeting times will be confirmed by telephone from Friday, 11 August 2006.

Meetings are 15 minutes each in duration.

MINISTER REQUESTED: *Hon David Campbell MP*

PERSON REQUESTING MEETING: *Ray Carter*

Contact Numbers:

(Work)..... (Mobile) *0407258882*

(Home) *0263322527*..... (Fax) *0263322576*

Postal Address: *3 Toronto St Kelso 2795*

Who is your local Member of Parliament? *Mr Gerrard Martin*

Issue/s you would like to discuss with the Minister/s:

Attach an extra page if necessary

(PLEASE PRINT CLEARLY)

*The Sewer Access Charge - in particular that the BRC rate charged should as per the guidelines for commercial premises
a) reflect the load put on the sewer system; but as charged by BRC does not
b) as per the guidelines should be comparable to the domestic charge; but is not
c) includes meter capacity for fire fighting and clearly should not.*

Have discussions or correspondence taken place with another Minister or Department?

If so, please state with whom and when: *NO RE W0602124*

*Correspondence DEUS Ref. 06/1410 is before Mr Campbell.
Other correspondence has taken place with Mr Sartor and Mr Scott Chapman*

Title of group or company and first name and surname of all individuals who will participate in the meeting:

*Mr Lachlan Sullivan - Chamber of Commerce Rep.
Mr John Humphries - Hydraulics Engineer and property owner
Ray Carter - Property owner*