

19 January 2010

NOTE TO RESIDENTS: BOROREN WATER SUPPLY SCHEME

Council at its meeting this morning considered a number of comprehensive consultant's reports on the condition of the existing bores and the options for the future of the Bororen water supply.

These reports are available for perusal on Council's website www.gladstonerc.qld.gov.au .

Council is pleased to report that the investigation has revealed that the water supply to the bores is considered to be reliable. This was always the precursor to any consideration of upgrading the supply.

Engineering and infrastructure consultants, MWH Global Inc, were commissioned to investigate the following options for the Bororen water supply:-

1. Do nothing;
2. Remove the iron and manganese but still not treat it to a potable standard;
3. Provide full treatment to potable water standard.

The report identified that there is only a marginal difference between the last two options [ie. approximately \$25,000]. The total cost to upgrade to full treatment is \$390,000. This includes the treatment plant, upgrading of bores, upgrading the storage facility and provision of telemetry services to monitor the system.

Currently, consumers pay an annual access charge of \$182 and a consumption charge of \$2.05 per kilolitre. The actual cost of providing the existing service is \$675 per equivalent service. This effectively means that the scheme is currently being heavily subsidised by the general rate base, a situation that has existed for many years.

The cost of upgrading to a potable water supply is \$280 per equivalent service. This is in addition to the current total cost of \$675, thus making the full cost of an upgraded potable supply, \$955 per equivalent service per annum. The scheme has 98 equivalent service connections.

At today's meeting Council also adopted a new policy which will see the water and sewerage charges being equalised across the region over a 10 year timeframe. This will bring these services into line with general rates and garbage charges which have already been equalised across the region. The longer timeframe is necessary given the magnitude of the disparity which currently exists in these service costs across the region.

In addition, in determining a way forward Council was heavily influenced by two key factors:-

- Community expectations, and
- Existing businesses in the town rely on the supply as their only source of water and the impact on these businesses of advising potential clients that the water supply is non potable.

Consequently, Council has today resolved to immediately move to upgrade the Bororen water supply to a full potable water standard. It is anticipated that this project will take 6 months to complete. Council will move to equalise charges between the Bororen and Miriam Vale services in the 2010/11 budget using the current Miriam Vale potable water supply charge as the base. Miriam Vale residents currently pay an access charge of \$308 per annum and a consumption charge of \$3.36 per kilolitre.

I thank residents for their patience during the comprehensive investigation phase. For further details on all the issues in this notice please view our website. If you have any questions about this decision, please contact Phil Boshoff on 49758459.

In the ensuing period the regular flushing of the existing supply will be continued.

Council's Infrastructure Services Portfolio spokesman Cr Matt Burnett will be available to answer questions at the Bororen Hall on **January 22 from 11am to 4pm**. He is also available to meet with residents individually via appointment.

Yours Sincerely



George Creed
MAYOR