

REGIONAL COUNCIL OF GOYDER

	CWMS Pricing Policy Statement	Department	F&A
		Version No:	4.2
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		Responsibility:	DOF

1. INTRODUCTION

Economic regulation of retailers and sewage services in South Australia was introduced under the Water Industry Act 2012 (SA) to provide mechanisms for the transparent setting of prices within the water industry, and to facilitate pricing structures that reflect the true value of services provided by participants in the industry.

Council provides the following services under the Water Industry Act 2012 (SA):

- Community Wastewater Management Schemes (CWMS)
- Recycled Water Services

1.1 Community Waste Management System (CWMS)

Council operates two CWMS schemes – one at Burra and the other at Eudunda.

1.1.1 Burra

The Burra network was designed by the SA Health Commission and installation of the underground pipework commenced in 1976. Properties were connected to the scheme in 1979 and the scheme was extended in 1995 into Welsh Place. As at 30th June 2022, the current network consists of 330 occupied properties, 8 vacant properties and 3 occupied and vacant properties.

The scheme consists of gravity drains, pumping stations and rising mains. The scheme was established with oxidation and evaporation lagoons and these were upgraded in 2004 and 2007.

A recycled water treatment plant was added in 2010 and piping installed to a holding tank and extended to the Burra Oval for irrigation.

1.1.2 Eudunda

The Eudunda network was established in 1967 and designed by the SA Health Commission. As at 30th June 2022, the current network consists of 381 occupied properties, 18 vacant properties and 7 occupied and vacant properties.

The scheme consists of gravity drains, pumping stations, rising mains and a waste water treatment plant. The treatment plant was upgraded in 2007 and the treatment lagoon upgraded in 2008.

Recycled water was connected to the irrigation at the Eudunda Oval and additional irrigation was installed at the Eudunda Golf club and Acropetal Park.

2. RECYCLED WATER SERVICES

The Burra scheme reuses the treated water at the Burra Oval. The Eudunda scheme reuses the treated water at the Eudunda Oval, Eudunda Golf Course and Acropetal Park.

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There is no fee for the supply of recycled water to the above properties as this provides improved amenities for the Goyder community.

3. PRICING - HISTORY

Pricing is based on full cost recovery of operational expenses plus contributions toward capital expenditure for identified upgrades and renewal.

The summary below highlights the history post 2000 of the rate for an occupied property connected to the scheme at Burra and Eudunda. The Burra scheme was upgraded in 2007 for a cost of \$347,787 and this partly funded by a loan of \$250,000. The Eudunda scheme was upgraded in 2008 for a cost of \$1,054,826 and this was partly funded by a loan of \$900,000.

Prior to 2007 the rate for the Eudunda scheme was lower than Burra and this was insufficient to meet capital and operating costs. The total cost of the Eudunda upgrade was \$154,826 greater than the loan funding which impacted the reserve and resulted in a 25% increase in charges for the 2013/14 financial year.

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Regional Council of Goyder CWMS Summary 2000-2023 Rate per Occupied Property Comparison

Year	Burra	Eudunda
2000	\$ 170.50	\$ 54.20
2001	\$ 178.20	\$ 58.10
2002	\$ 185.30	\$ 62.10
2003	\$ 192.70	\$ 66.40
2004	\$ 211.90	\$ 99.60
2005	\$ 234.00	\$ 150.00
2006	\$ 246.00	\$ 200.00
2007	\$ 258.00	\$ 250.00
2008	\$ 260.00	\$ 260.00
2009	\$ 275.00	\$ 275.00
2010	\$ 275.00	\$ 303.00
2011	\$ 282.00	\$ 311.00
2012	\$ 289.00	\$ 334.00
2013	\$ 302.00	\$ 376.00
2014	\$ 332.00	\$ 470.00
2015	\$ 340.00	\$ 517.00
2016	\$ 357.00	\$ 531.00
2017	\$ 366.00	\$ 544.00
2018	\$ 375.00	\$ 544.00
2019	\$ 384.00	\$ 558.00
2020	\$ 384.00	\$ 558.00
2021	\$ 392.00	\$ 569.00
2022	\$ 400.00	\$ 580.00
2023	\$ 410.00	\$ 595.00

4. CURRENT YEAR PRICING 2022/23

Reserve transfers

During the 2021/22 financial year Council paid out the Eudunda CWMS Loan Balloon payment of \$374,599 with funding from the Burra CWMS reserve. The Eudunda CWMS reserve will repay this amount to the Burra CWMS reserve over 9 annual instalments of \$37,500 commencing in the 2022/23 financial year and a final payment of \$37,099 in 2031/32.

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Burra

The opening reserve balance for the Burra CWMS as at 30th June 2022 is a credit balance of \$131,951. Total operating and capital expenditure for 2022/23 including scheme maintenance and tank cleaning is \$102,868. Total income generated for 2022/23 from the network charges is \$139,914 and the repayment from the Eudunda CWMS reserve is \$37,500,. The closing reserve balance as at 30th June 2023 is estimated to be a credit balance of \$206,497

4.2 Eudunda

The opening reserve balance for the Eudunda CWMS as at 30th June 2022 was a credit balance of \$268,334. Total operating costs, Burra CWMS reserve repayments and capital expenditure for 2022/23 including scheme maintenance, tank cleaning and interest is \$203,438. Total income generated for 2022/23 from the network charges is \$242,260. The closing reserve balance as at 30th June 2023 is estimated to be a credit balance of \$307,156.

5. CWMS PRICING SCHEDULE

In budget deliberations for 2022/23, Council considered the current reserve balances, projected movements for the year and the capacity of residents to pay the annual changes levied by the scheme. Charges for the Burra and Eudunda network were indexed at 2.5%.

1. Burra

<u>Rate Revenue</u>	<u>No</u>	<u>Yr1</u>	<u>Total Yr1</u>
Occupied Properties	330	\$ 410.00	\$ 135,300
Vacant Properties	8	\$ 309.00	\$ 2,472
Occupied & Vacant Properties	3	\$ 714.00	\$ 2,142
	341		\$ 139,914

2. Eudunda

<u>Rate Revenue</u>	<u>No</u>	<u>Yr1</u>	<u>Total Yr1</u>
Occupied Properties	381	\$ 595.00	\$ 226,695
Vacant Properties	18	\$ 456.00	\$ 8,208
Occupied & Vacant Properties	7	\$ 1,051.00	\$ 7,357
	406		\$ 242,260

5. RECORDS

All records should be kept confidential and be treated in accordance with Local Government GDS40.

6. REVIEW

This document shall be reviewed by Council within two (2) years (or on significant change to legislation or aspects included in this policy that could affect the health and safety of workers).

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7. REVIEW HISTORY

Document History	Version No:	Issue Date:	Description of Change:
	1.0	17/10/17	Adopted by Council - 215/17
	2.0	19/2/19	Reviewed by AC – 03/19
	2.0	19/3/19	Reviewed by Council - 43/19
	3.0	18/2/20	Reviewed by AC - 03/20
	3.0	17/3/20	Reviewed by Council - 31/20
	4.0	16/2/21	Reviewed by AC - 02/21
	4.0	18/5/21	Reviewed by Council - 64/21
	4.1	15/2/22	Reviewed by AC – 04/22
	4.1	15/3/22	Reviewed by Council – 030/22
	4.2	21/2/23	Reviewed by AC – 02/23
	4.2	18/04/23	Reviewed by Council 050/22