

# **LATE REPORT NO 2 EXTRAORDINARY MCC MEETING 21 DECEMBER 2016**

## **LATE REPORT - LOCAL GOVERNMENT REFORM - MIDCOAST WATER STRUCTURE**

**Report Author** Glenn Handford, Interim General Manager

**File No. / ECM Index** MCC Council Meetings - Extraordinary

**Date of Meeting** Extraordinary - 21 December 2016

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### **SUMMARY OF REPORT**

The future structure of MidCoast Water has been the subject of submissions and consultation with State Government Agencies since the announcement of the merger proposal of MidCoast Waters former three (3) constituent councils on 9 March, 2016. This consultation has resulted in future options being narrowed to two (2). Specifically:

Option 1 – Local Government owned corporation

Option 2 – Dissolve MidCoast County Council and merge the water and sewerage function (trading as MidCoast Water) as a business unit into Mid-Coast Council.

Option 1 is consistent with the principles of urban water reform that commenced with the National Water Initiative/COAG Reform in the mid 1990's, however the maintenance of a separate entity incurs a cost that can be avoided under Option 2.

### **SUMMARY OF RECOMMENDATION**

That MidCoast County Council be dissolved and its assets and operations (trading as MidCoast Water) be merged as a separate business unit into MidCoast Council.

### **FINANCIAL/RESOURCE IMPLICATIONS**

These are contained within the report attached.

### **LEGAL IMPLICATIONS**

These are contained within the report attached.

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### **REPORT**

A full report on this matter has been prepared by the General Manager MidCoast Water. The report has been prepared in consultation with the Interim General Manager, MidCoast Council.

The full report is contained in Attachment A.

### **RECOMMENDATION**

That MidCoast County Council be dissolved and its assets and operations (trading as MidCoast Water) be merged as a separate business unit into MidCoast Council.

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### **ATTACHMENTS**

A: Full copy of report from General Manager, MidCoast Water.