

Section 31
Water Services Act 2012
RECTIFICATION NOTICE

TO: Shire of Dumbleyung
PO Box 99
DUMBLEYUNG WA 6350

TAKE NOTICE that pursuant to section 31(1) of the *Water Services Act 2012* ("the Act"), that by no later than 30 June 2016, you are hereby required to rectify the contraventions of Water Services Operating Licence Number 16 ("WL16") set out in the Schedule attached to this Notice and marked with the letter "A".

You are hereby notified that if you do not comply with this Notice, then in accordance with section 31(4) of the Act the Economic Regulation Authority ("the Authority") may, subject to section 32 of the Act, take one or more of the following actions:

- a. order the Shire of Dumbleyung to pay a monetary penalty fixed by the Authority but not exceeding \$150,000;
- b. remedy the failure to comply that gave rise to the giving of this rectification notice at the expense of the Shire of Dumbleyung;
- c. subject to section 17(2) of the Act, amend the Shire of Dumbleyung's licence under section 17.

The Common Seal of the Economic Regulation Authority was hereto duly affixed by the Chairman of the Economic Regulation Authority on 15 March 2016:

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Member: _____

Member: _____

Attachment: Schedule of Contraventions

"A"

Schedule of Contraventions

1. Contravention of clause 20 of WL16

Clause 20.1 of WL16 states:

"The licensee must provide for, and notify the Authority of, an asset management system in respect of the licensee's water service works within two business days from the commencement date unless otherwise notified in writing by the Authority."

Section 24(2) of the Act states:

"An asset management system must include the measures to be taken by the licensee for —

- (a) the proper maintenance of the water service works of the licensee; and
- (b) the provision and operation of the water service works specified in the licence and of other water service works necessary for the provision of the water service or services authorised by the licence."

On 10 December 2015, the Authority designated Barry Robbins of Barry Robbins Engineering & Project Management as an inspector under section 210(1) of the Act ("the Inspector").

On 15 December 2015, the Authority commissioned the Inspector to:

- 1) Conduct an assessment of the actions taken by the Shire of Dumbleyung ("the Shire") to address recommendations 9/2014 – 15/2014 inclusive, 17/2014 and 18/2014 (which can be found in section 3.6 of the report , dated 13 May 2015, on the audit and review of the Shire's water services licence prepared by Quantum Management Consulting and Assurance) and form an opinion about:
 - a) whether the action(s) taken by the Shire to address each of the above recommendations have rectified the related asset management deficiency, or deficiencies;
 - b) what further action, if any, is necessary to fully rectify any of the asset management deficiencies in item (a) that have not been completely rectified by the Shire.
- 2) Apply the ratings defined in section 3.2 of the report to provide an effectiveness rating for each asset management sub-component associated with recommendations 9/2014 – 15/2014 inclusive, 17/2014 and 18/2014 that takes into consideration the findings in 1(a) and 1(b) above.
- 3) Perform a condition assessment of the sewerage and recycled water assets covered by the licence.
- 4) Provide to the Authority a report that sets out the evidence obtained in relation to items 1, 2 and 3 above.

On 29 January 2016, the Inspector provided to the Authority the *Shire of Dumbleyung Report on Inspection of Asset Management System & General Condition of Sewerage Assets* ("the Report").

In the Economic Regulation Authority's ("the Authority") opinion, the Shire has contravened clause 20.1 of WL16 because the Report disclosed a number of maintenance deficiencies with respect to the Shire's sewerage assets.

In the Authority's opinion, the deficiencies disclosed in the Report, identified in Table 1 below are such that the Authority considers that the Shire's asset management system does not set out measures for the proper maintenance and operation of the water services works.

Table 1: Asset Management Maintenance Deficiencies

Reference	Asset Management Deficiency
<p>Pumping Station – Wet Well (section 3.3.1 of the Report)</p>	<p>Observations: <i>When inspected, the base of the wet well and pump suction inlets were clogged with a significant depth of compacted sludge. The float switches were similarly clogged. This situation indicates a serious lack of maintenance - risking reduced pumping efficiency or failure. Similarly, float switches coated with a heavy layer of sludge can lead to malfunction of the automatic operation of the pumping station.</i></p> <p>Corrective Action Required:</p> <ul style="list-style-type: none"> • <i>The wet well walls, invert, switches and float switches need to be fire hosed clean, and the base of the well flushed.</i> • <i>The Shire needs to update the operations and maintenance sections of its Asset Management Plan to:</i> <ul style="list-style-type: none"> ○ <i>Ensure the wet well walls, float switches and the base of the wet well are cleaned and flushed on a weekly basis.</i> ○ <i>Require daily attendance at the pumping station to inspect the wet well, change of pump duty, checking the pump and warning siren operation, and to record the pump running hours.</i> • <i>A sign should be erected at the pump site, setting out the details of the facility's use and providing contact numbers to be used in the event of an emergency (also applies to the Pump Well below).</i>
<p>Pumping Station – Pump Well (section 3.3.2 of the Report)</p>	<p>Observations: <i>The base of the pump well was covered with water, which had probably leaked from pump glands or pipework. The floor is graded toward a pit from which a small pump should automatically discharge to the wet well, keeping the pump well dry. Inspector was advised that a pump was originally installed. However, the pump well floor was too wet to descend and determine whether the pump had been removed or was simply unserviceable. This situation also indicated a lack of appropriate maintenance.</i></p> <p>Corrective Action Required:</p> <ul style="list-style-type: none"> • <i>An operating sump pump needs to be installed into the wet well.</i> <p><i>The Shire needs to update the operations and maintenance sections of its Asset Management Plan to require daily</i></p>

	<p>attendance at the pumping station to inspect the pump well and the operation of the sump pump.</p>
<p>Imhoff Tank (section 3.4.1 of the Report)</p>	<p>Observations:</p> <p><i>The lack of maintenance and operating attention to the Imhoff Tank was the worst ever observed by Inspector. The inlet/settlement chamber, flow baffles and the outlet were choked with a thick accumulation of sludge and scum – as was a significant amount of the outer water surface of the tank. (See Appendix 1 – photographs).</i></p> <p><i>It is probable that the lower (sludge digestion) chamber of the tank is over full of digested sludge – or that the sludge discharge slot at the base of the inlet / settlement chamber is blocked by incoming settled sludge and rags. Either case will prevent the intended operation of sludge separating from the inflow and settling down through the slot to the digestion chamber below.</i></p> <p><i>Discharge pipework allows digested sludge from the lower section of the tank to be drawn off to a concrete sludge observation pit – from which it is pumped into a sludge drying bed adjacent to the Imhoff Tank. The pit, which has no cover, also has no pump. The sludge drying bed is overgrown with waist high weeds and there is no indication of recently applied digested sludge. (See Appendix 1 – Photographs)</i></p> <p><i>A flow pit from which the settled effluent from the Imhoff Tank to the primary pond may be observed, sampled and possibly fitted with a flow measuring device, has no cover and is partially blocked with sludge.</i></p> <p><i>The area surrounding the Imhoff Tank is littered with discarded equipment, weeds and several piles of dried rags and other detritus obviously removed from the settlement chamber. Attention was drawn to this matter in the earlier Health Department report.</i></p> <p>Corrective Action Required:</p> <ul style="list-style-type: none"> • <i>Install a suitable pump to the sludge observation pit.</i> • <i>Draw off digested sludge from the lower chamber of the tank and (after clearing the sludge drying pit of weeds) pump the digested sludge (which is black in colour) to the drying lagoon.</i> • <i>Excavate and dispose of accumulated sludge on the settlement chamber – or flush it into the digestion chamber with a fire hose.</i> • <i>Remove accumulated rags from the settlement chamber.</i> • <i>Install an appropriate cover to both the sludge observation and effluent flow pits.</i> • <i>Clear the area surrounding the Imhoff Tank of discarded equipment, other rubbish and weeds. Remove the piles of accumulated rags to landfill.</i> • <i>The Shire needs to amend the operations and maintenance sections of its Asset Management Plan to:</i> <ul style="list-style-type: none"> ○ <i>Require daily visits to the treatment plant to check the general operation of the Imhoff tank - including inflow, effluent clarity, settlement</i>

	<p>chamber condition - and to, as required, remove rags and other detritus.</p> <ul style="list-style-type: none"> ○ Arrange for digested sludge to be drawn off to the sludge drying bed on a monthly basis, dispose of the dried sludge to landfill.
<p>Treatment Ponds (section 3.4.2 of the Report)</p>	<p>Observations:</p> <p>The condition of the treatment ponds was found to be unchanged from those noted in the earlier Health Department report (See Appendix 1 – Photographs).</p> <p>Inspector also noted that the timber stop boards and scum baffles on the primary pond discharge pit are damaged and are ineffective in preventing transfer of surface scum from the primary to the secondary pond.</p> <p>Corrective Action Required:</p> <ul style="list-style-type: none"> • Erosion protection installations on the primary pond banks require some replacement or repair. • Removal of weeds from the banks of the ponds. • Install a fence around the secondary pond. • Replace the timber scum baffles on the primary pond discharge pit. • The Shire needs to amend the operations and maintenance sections of its Asset Management Plan to control weeds on the banks of the treatment ponds.

The Authority requires the Shire to take appropriate measures to rectify the deficiencies detailed in Table 1 of this Notice by 30 June 2016.