

Moama Lifestyle Villages Pty Ltd Post Audit Action Plan Revision A
Operational Audit and Asset Management System Review
Water Licence WL40 (Non-potable and sewerage)

Preface to Moama’s audit and review responses:

Tuart Lakes Lifestyle Village has now received confirmation of its ability to connect to the nearby deep sewer and intends to connect as a priority. This involves a joint project with 2 adjoining landowners to install a sewer connection. Project costs have been calculated and lawyers have been engaged to draft agreements up between the 3 parties. Headworks can commence as soon as the agreements are signed.

3.2 Previous Review Asset Management System Effectiveness Review Deficiencies and Recommendations: 1 October 2014 – 30 September 2017

Table of Current Audit Non- Compliances and Recommendations					
C. Unresolved at end of current audit period					
Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/ Rating/ /Details)	Auditor’s Recommendation	Management Action	Person Responsible and Anticipated Completion Date	Status
05/2014	<p>Asset Planning – Service Levels Rating: C3 <i>Service levels are defined</i></p> <p>There is a Service Agreement in place with Tristar to perform daily operational and maintenance tasks at the WWTP. The Operational Service Requirements are documented in a separate TLLV internal document that outlines the service levels required. However, this document is not part of the Service Agreement with Tristar. The service levels are not well defined in the Tristar Service Agreement.</p> <p>The Service Agreement with Tristar was dated 11 February 2014 is for a term of 12 months and due for renewal in February 2015. Moama could not locate the signed Service Agreement. However, it could be argued that the contract is implied as Moama continued to use Tristar’s services and pay their bills.</p>	<p>The AMP has not been reviewed or upgraded; Service levels are set out in the draft contract documents with Wastewater Services (“WWS”) for the construction a new WWTP of and its operation. However, the contract documents have not been executed and WWS is operating the existing WWTP on an ad hoc basis; and The recommendation of the 2014 report should be implemented:</p> <p>a) The licensee should ensure that clear and well defined service levels are included in the next revision of the operations and maintenance contract.</p> <p>b) The licensee should ensure that a signed copy of any future operations and maintenance contract is retained.</p>	<p><i>Moama will establish a basic operations and maintenance agreement with the current plant operator, Waste Water Services.</i></p>	<p><i>Melissa Cattai, Administration Assistant 30 September 2018</i></p>	

Reference (no./year)	Non-Compliance/Controls Improvement (Legislative Obligation/ Rating/ /Details)	Auditor's Recommendation	Management Action	Person Responsible and Anticipated Completion Date	Status
07/2014 C3	<p>Asset Planning – Asset Management Plan <i>Plans are regularly reviewed and updated</i></p> <p>The historical Tuart Lakes Lifestyle Village (TLLV) Asset Management Plan (AMP), dated 13th October 2009 is outdated and revision and update of the AMP is required to incorporate modifications of the plant and changes to all aspects of the AMP that have occurred since its issue in October 2009. Also, the financial forecasts of owning and operating assets should be reviewed and updated based on the current costs and in terms of the current operation of the plant.</p> <p>The reviewer also noted that the AMP is not included on the TLLV WWTP Document Register. The AMP should be reviewed and updated every two years or whenever major changes occur.</p>	<p>The AMP has not been reviewed or updated; and</p> <p>The recommendation of the 2014 report should be implemented:</p> <p>The licensee should continue to monitor the capacity of the WWTP, currently at 50% capacity for 143 houses. When the system nears its maximum capacity, an Asset Transition Plan should be developed to provide further capacity, depending upon the options available at the time such as connecting to the Water Corporation's sewer network or upgrading the plant.</p>	<p><i>Moama will update its Asset Management Plan as per this recommendation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	

<p>08/2014 C3</p>	<p>Asset Operations – Policies and Procedures <i>Operational policies and procedures are documented and linked to service levels required.</i></p> <p>Documentation of an update to the Operation and Maintenance Manual was not available. The Tristar O&M Manual sighted, consisted of only manufacturers’ manuals for two items of plant infrastructure. The historic Aquasol O&M manual provided has details of the original plant and would require revision to incorporate plant modifications if adopted.</p> <p>The daily operations procedure was only evident from the Operational Checklist – Daily Report. These report sheets are detailed and report on the operation and maintenance of all separate items of the plant infrastructure. The Operational Checklist – Daily report was updated for the plant modifications. All operational activities were the subject of an individual report.</p> <p>In addition to Tristar inspections, a daily visual inspection of the plant by NLV maintenance personnel was reported to be carried out focusing on compound security, alarms, odour emissions and overflows. Although, the daily inspection tasks performed by NLV personnel have been documented in the daily NLV WWTP inspection log sheet and evidence of these daily inspections has been sighted, the WWTP Operational and Maintenance policies and procedures should be updated for NLV personnel daily inspection requirement and procedure.</p> <p>Monthly recycled water samples are taken with the exception of October 2013 and November 2013 not being reported to DoH.</p> <p>The alarm system has been improved to include sludge levels. The alarm monitoring is carried out by Tristar and NLV staff. An informal cross check within NLV staffing is carried out prior to referral of the alarm callout to Tristar. A daily visual inspection of the plant by NLV maintenance personnel was reported to be carried out.</p>	<p>The documentation has not been revised. The WWTP is operated by WWS on an ad-hoc basis. Plant operations are based on WWS experience and a seven-day check list;</p> <p>Daily checking is undertaken by WWS staff. NLV personnel are not involved;</p> <p>Water samples are taken by WWS and submitted for analysis as required;</p> <p>Alarms are transmitted to WWS and selected NLV personnel; and</p> <p>The above-mentioned documentation should be prepared in recognition of the current service implementation practises.</p>	<p><i>Moama will establish this documentation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 30 September 2018</i></p>	
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<p>08/2014 C3 (continued)</p>	<p>Documentation of all aspects of alarm monitoring procedures, including a formal hierarchy of referrals, is required to ensure failsafe operation of the WWTP. While actual operation and maintenance of the WWTP is adequate, the revision of the documentation of all O&M procedures is required to ensure continued adequacy of WWTP operation regardless of personnel or contractual changes.</p>				
<p>09/2014 C3</p>	<p>Asset Operations – Asset Register Assets are documented in an Asset Register including asset type, location, material, plans of components, and an assessment of assets’ physical/structural condition and accounting data. The original Aquasol Asset Register sighted, covers most of the plant components, but does not reflect recent changes and has not been fully populated with all required details. The reviewer was advised by the licensee that the External Consulting Engineer is in the process of producing a new asset register but it is still at an early stage.</p>	<p>A new asset register has not been prepared; and The recommendation of the 2014 report should be implemented: The licensee should ensure that a new Asset Management Register is developed and includes all assets including asset type, location, material, plans of components, and an assessment of assets’ physical/structural condition.</p>	<p><i>Moama will update its Asset Register as per this recommendation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	

4.4 Current Operational Audit: Non-Compliances and Recommendations: 1 October 2014 – 30 September 2017

Table of Current Review Asset System Deficiencies and Recommendations					
B. Unresolved at end of current review period					
Reference (no./year) Rating	Asset System Deficiency (AMS Component/Effectiveness Criteria/Details)	Auditor's Recommendation	Management Action taken by end of audit period	Person Responsible and Anticipated Completion Date	Status
1, 2, 5, 7, 13, 15, 16, 17, 18, 20, 21, 22, 23, 25, 28, 31, 33, 35, 36, 37, 38, 42, 43, 44, 45, 47, 52, 54, 55, 56, 57, 62, 74, 75, 89, 92, 148, 149, 150, 155, 160, 169 and 173 (1/2017) C1	<ul style="list-style-type: none"> • Rating: C 1; • Obligation: Act – section 21(1)(a) and Water Services Licence Version 3 (“WL3”) – clause 3.3.1 (a); and • Details: <ul style="list-style-type: none"> • Moama does not have a specific set of controls to help ensure its compliance with the obligations listed in the following legislative instruments: <ul style="list-style-type: none"> • Water Services Act 2012; • Water Services Regulations 2013; • Water Services Code of Conduct (Customer Service Standards) 2013; and • Water Services (Operating) Licences, versions 2 and 3. • (“Compliance Obligations”); • Paxon has noted the ERA’s “Water Compliance Reporting Manual – Water Services Act 2012 – July 2016” is available on Moama’s network. Thus, it is available as a reference document for Moama employees responsible for obedience with the Compliance Obligations; • TLLV does maintain a document entitled: “Compliance Register – Reporting Requirements” (“Compliance Register”). However, the Compliance Register focuses on reporting obligations to regulatory authorities and does not comprehensively address Moama’s compliance obligations; and • Moama has stated some controls which relate directly to the Compliance Obligations, are recorded in its asset management system. 	<ul style="list-style-type: none"> • Moama should expand its Compliance Register to ensure it addresses all the obligations listed in the above-mentioned legislative instruments. This schedule should identify appropriate policy and procedure documents and responsible employees. 	<p><i>Moama will review the Compliance Register and implement as per its requirements.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 October 2018</i></p>	

<p>92 (2/2017) C3</p>	<ul style="list-style-type: none"> • Obligation: Water Services Code of Conduct (Customer Service Standards) 2013 (“Code of Conduct”) – clause 7 and WL3 - clause 3.1.1; and • Details: <ul style="list-style-type: none"> • TLLV does have a document entitled: “<i>National Lifestyle Villages – Tuart Lakes Lifestyle Village – Customer Charter</i>”. This document refers exclusively to the provision of recycled water and its use “<i>to irrigate designated grass areas</i>”; and • Sewerage services were provided to dwellings in TLLV during the Audit Period. 	<ul style="list-style-type: none"> • Moama should compile and make publicly available written information about the sewerage services it provides to ensure compliance with clause 7 of the Code of Conduct. 	<p><i>Moama will review the Code of Conduct and implement changes to the Customer Charter as per its requirements.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 September 2018</i></p>	
<p>148 (3/2017) C3</p>	<ul style="list-style-type: none"> • Obligation: Code of Conduct – clause 35(4) and WL3 – clause 3.1.1; and • Details: <ul style="list-style-type: none"> • Paxon examined the two written complaints procedures; • The procedure which deals with complaints TLLV lodges with Moama states: “<i>If complainant dissatisfied, refer to mediation or Water Ombudsman, keep complainant informed.</i>”; • The procedure which deals with complaints residents at Tuart Lakes lodge with TLLV does not address clause 35(4) of the Code of Conduct; • Paxon notes the TLLV document entitled: “<i>National Lifestyle Villages – Tuart Lakes Lifestyle Village – Customer Charter</i>” states the following: “<i>If we do not respond accordingly complaints are dealt with by the Department of Water</i>”; • The Charter then provides contact details for the department. However, as per clause 35(4) of the Code of Conduct this information must be included in the complaints procedure and not in a separate document; and • Moama does not have a specific set of controls to help ensure its compliance with the legislative obligations derived from the water services it provides. A recommendation (01/2017) was made in this regard (see reference number 1 above). 	<ul style="list-style-type: none"> • Moama should update its complaints procedures to provide customers with the information stipulated in clause 35(4) of the Water Services Code of Conduct (Customer Service Standards) 2013. 	<p><i>Moama will review the Code of Conduct and implement changes to its complaints procedure as per its requirements.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 September 2018</i></p>	

<p>149 (4/2017) C3</p>	<ul style="list-style-type: none"> • Rating: C 3; • Obligation: Code of Conduct – clause 35(6) and WL3 – clause 3.1.1; and • Details: <ul style="list-style-type: none"> • Moama has stated the two written complaints procedures were only available upon request during the Audit Period; • Paxon examined a sample of “Residential Site Agreements” which TLLV entered with customers during the Audit Period and found these agreements did not refer to a specific complaints procedure for water services; and • Paxon examined a document entitled: “Village Policy – Your Guide to Village Life - National Lifestyle Villages”. This document is provided as an attachment to the above-mentioned Residential Site Agreements”. This policy document does include a “Code of Conduct” and a “Grievance Policy”. However, neither of these two documents refer to a specific complaints procedure for water services. 	<ul style="list-style-type: none"> • Moama should make its complaints procedure publicly available to ensure compliance with clause 35(6) of the Water Services Code of Conduct (Customer Service Standards) 2013. 	<p><i>Moama will make its complaints procedure publicly available as per the Code of Conduct.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 September 2018</i></p>	
<p>150 (5/2017) C3</p>	<ul style="list-style-type: none"> • Rating: C 3; • Obligation: Code of Conduct – clause 36(1) and WL3 – clause 3.1.1; and • Details: <ul style="list-style-type: none"> • Moama has stated the non-potable water supply service was provided exclusively to TLLV (associated company) during the Audit Period for the irrigation of common property within the operating area of Moama’s Water Services Licence. Paxon does not regard clause 36(1) of the Water Services Code of Conduct (Customer Service Standards) 2013 as being applicable in respect of these services; • Sewerage services were provided to dwellings in TLLV during the Audit Period. Moama has stated it did not provide the following information to residents in Tuart Lakes Lifestyle Village during the Audit Period in respect of the sewerage services: <ul style="list-style-type: none"> • Services for general enquiries for use by customers with hearing or speech impairment; • Interpreter services for general enquiries; and • A large-print version of any of its publicly available documents. 	<ul style="list-style-type: none"> • Moama should provide residents at Tuart Lakes Lifestyle Village on request and at no charge with the above-mentioned information to ensure compliance with clause 36(1) of the Water Services Code of Conduct (Customer Service Standards) 2013. 	<p><i>Moama will review the Code of Conduct and implement as per its requirements.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 September 2018</i></p>	

<p>163 (6/2017) D4</p>	<ul style="list-style-type: none"> • Rating: D 4; • Obligation: Act – section 12 and WL3 – clause 3.7.1 (b); and • Details: <ul style="list-style-type: none"> • Moama has stated that, during the Audit Period, it was not under external administration, nor did a material change take place in the circumstances upon which the licence was granted which affected its ability to meet its obligations. Thus, Moama did not submit any report to the ERA in terms of either section 15.1 (b) or 3.7.1 (b) of its Water Services (Operating) Licence; • The independent auditors of National Lifestyle Villages Pty Ltd did not qualify their audit reports for the years ended 30 June 2014 and 30 June 2015. However, the independent auditors did include an “<i>Emphasis of Matter</i>” item in both audit reports in respect of “<i>a material uncertainty</i>” as to the consolidated entity’s and the company’s ability to continue as going concerns. The independent auditors did not qualify their audit report for the year ended 30 June 2016 but did include a “<i>Material Uncertainty Related to Going Concern</i>” item in its audit report in respect of the group’s ability to continue as a going concern; • Moama Lifestyle Villages Pty Ltd was a wholly owned subsidiary of National Lifestyle Villages Pty Ltd (“NLV”) during the Audit Period. Thus, the material uncertainties as to the going concern status of the NLV group, as included in the above-mentioned independent auditor’s reports, may have affected Moama’s ability to continue as a going concern during the Audit Period. In terms of Paxon’s interpretation of the stipulations of section 15.1(b) and section 3.7.1 (b) of Moama’s Water Services (Operating) Licence as in force during the Audit Period, Moama should have reported these material uncertainties as to the NLV group’s ability to continue as a going concern to the ERA; and • Moama did not provide the Paxon Group with any financial statements for the financial years included in the Audit Period. 	<ul style="list-style-type: none"> • Moama should on a perpetual basis assess its reporting obligations in terms of section 3.7.1 (b) of its current Water Services Licence. 	<p><i>Moama will add this to the Compliance Register.</i></p>	<p><i>Melissa Cattai, Administration Assistant 31 August 2018</i></p>	
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5.4 Current Review Asset Management System Effectiveness Review Deficiencies and Recommendations: 1 October 2014 – 30 September 2017

Reference (no./year) Rating	Asset System Deficiency (AMS Component/Effectiveness Criteria/Details)	Auditor's Recommendation	Management Action taken by end of audit period	Person Responsible and Anticipated Completion Date	Status
01/2017 C3	<p>Asset Planning</p> <p>The Asset Management Plan (“AMP”) is the original document dated 2009 and appears to have been prepared as part of the application for the water service. It has not been amended despite recommendations of the 2014 Review undertaken by Quantum Assurance. Consequently, most recommendations of the 2014 report have not been addressed;</p> <p>Moama as licensee for the water services, advised it is currently treating with the Water Corporation, with the intention of discharging to one of two Water Corporation sewers expected to be available for connection within twelve months;</p> <p>Aquasol Pty Ltd undertook construction and initial operation of the Wastewater Treatment Plant (“WWTP”). The WWTP was subsequently operated and maintained by Tristar Pty Ltd. Since 2015 Wastewater Services Pty Ltd (“WWS”) has operated and maintained the WWTP on an ad-hoc basis. An experienced operator provided by WWS attends the plant for 30 hours over five or six days weekly. Moama staff are not required to undertake any operating or maintenance at the WWTP; and</p> <p>A contract agreement for WWS to design, construct and operate a new plant has been prepared but not executed, pending resolution of a Water Corporation sewer becoming available to sewage flows from TLLV, which occupies the Moama property. Moama advised that the board of its parent company (NLV) has approved the funding of the new WWTP. However, execution of the agreement has been delayed pending the outcome of discussions with Water Corporation regarding the availability and timing a sewer connection.</p>	<p>In accordance with its current management and operational practises, Moama should, as a minimum:</p> <ul style="list-style-type: none"> • Fully update its Asset Management Plan including where appropriate; and • Implement recommendations numbers 5, 6 and 7 of the Quantum Assurance 2014 Review, as set out in Table 7 of the report. 	<p><i>Moama will update its Asset Management Plan as per its requirements.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	

Reference (no./year) Rating	Asset System Deficiency (AMS Component/Effectiveness Criteria/Details)	Auditor's Recommendation	Management Action taken by end of audit period	Person Responsible and Anticipated Completion Date	Status
02/2017 D2	Asset Creation and Acquisition (as per Recommendation 01/2017)	Moama should upgrade the AMP to include the current procedures and practises adopted for Asset Creation and Acquisition.	<i>Moama will update its Asset Management Plan as per its requirements.</i>	<i>Melissa Cattai, Administration Assistant 1 December 2018</i>	
03/2017 D4	Asset Disposal Moama has no specific disposal plan for the sewerage services; and The AMP simply states: " a detailed disposal plan has not been created. When decommissioning of the Water Recycling Scheme, including WWTP and associated irrigation infrastructure, is considered necessary, it will be undertaken in accordance with the relevant Department of Environment and Conservation and Department of Health Standards".	In view of the future replacement of the existing WWTP, a specific disposal plan for these assets should be formulated and documented.	<i>Moama will establish this documentation.</i>	<i>Melissa Cattai, Administration Assistant 1 November 2018 (or sooner if the deep sewer connection commences)</i>	

<p>04/2017 C2</p>	<p>Environmental Analysis</p> <p>The AMP incorrectly refers to the Water Services Licensing Act 1995 - which was repealed and replaced by the Water Services Act 2012 on 18th November 2013;</p> <p>Other relevant legislation noted in the AMP is correct;</p> <p>Compliance reports to ERA were generally technically compliant. Some reports were submitted late and therefore procedurally non-compliant in those instances. A series of equipment failures prior to 2014 were noted in reports to the Health Department - resulting in earlier chemical and health quality non-compliances. These have been corrected since 2015 when WWS commenced operating the WWTP;</p> <p>Supply standards are related mainly to the wastewater treatment and disposal system and are generally stated to comply with relevant legislation and/or standards;</p> <p>Data for reports to the ERA and DOH are prepared by WWS and provided to Moama for completion and submission to the appropriate authority; and</p> <p>The various threats associated with the services are thoroughly examined in Appendices to the AMP – specifically, the Health and Environmental Risk Assessments undertaken by consultants (GHD) and Land Capability Assessment also undertaken by consultants (Golder).</p>	<p>The reference to legislation related to the water services licence should be corrected; and</p> <p>System threats should be reviewed and updated as required and extended to include threats to the collection, pumping and effluent disposal systems.</p>	<p><i>Moama will update its Asset Management Plan as per its requirements.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	
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<p>05/2017 D1</p>	<p>Asset Operations</p> <p>The original Operations and Maintenance (“O&M”) manual provided by Aquasol (the original operator) was initially used by Tristar when it took over operation of the WWTP. The manual was not up to date and Tristar also made further changes to the WWTP. Therefore, whilst the 2009 AMP contains the original O&M documentation, it is well out of date, generic rather than detailed, in draft format and not applicable to the existing WWTP;</p> <p>Since 2015, the WWTP has been operated by WWS on a provision of services basis. The WWTP is operated and maintained (without reference to O&M manuals) on the basis of WWS knowledge and experience of the processes involved;</p> <p>WWS provided THE Reviewer with a seven-day list of checks, data collection and basic maintenance used for operation of the plant;</p> <p>WWS provides management with copies of the completed check lists and other data required for reporting to the ERA and DOH;</p> <p>Reviewer noted that the WWS operator for the WWTP is on-site for 30 hours per week. He is familiar with the treatment processes involved and their implementation at the WWTP. The operator undertakes all data recording, plant checks, adjustments, effluent sampling and delivery for testing and basic maintenance. WWS is also responsible for operation and maintenance of the collection sewers, pumping stations and rising mains;</p> <p>Although WWTP operations are not fully documented, the experience of the operator and WWS improved operating results indicate that the sewerage system is competently managed;</p> <p>Village staff operates the effluent disposal system – which is basically automatic; and</p> <p>Although the relationship between Moama and WWS appears sound, the sewerage system is nevertheless operated on an informal basis - without a formal contract between the parties regarding tasks, standards, payment, dispute resolution, responsibility boundaries etc. Reviewer is concerned that in the absence of a formal contract, a dispute or disagreement between the parties (albeit unlikely) could result in a reduction or loss of the sewerage services. A formal contract between Moama and WWS should be entered for at least a continuation of the services currently provided.</p>	<p>That Moama and WWS enter a formal contract for the continuation of WWS current services; and</p> <p>That O&M documentation be prepared and implemented in accordance with:</p> <ul style="list-style-type: none"> • The current systems for collection, treatment and disposal of sewage flows; and • Implementation of recommendations number 8(a) and (c), 9 and 10 of the Quantum Assurance 2014 Review, as set out in Table 7 of this report. 	<p><i>Moama will establish a basic operations and maintenance agreement with the current plant operator, Waste Water Services and prepare O&M documentation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 30 September 2018</i></p>	
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<p>06/2017 D1</p>	<p>Asset Maintenance As for Asset Operations above, the O&M documentation setting out the maintenance requirements in the AMP is out of date, generic rather than detailed and in draft format; Reviewer's discussion with WWS and its operator indicates the plant is well maintained despite the lack of documentation. WWS obtains Moama's approval for impending maintenance or other expense not covered by its service agreement; Village staff operates the effluent irrigation system – which is basically automatic. Land and Water Services undertakes maintenance/repairs as necessary; and As stated above, WWS is responsible for maintenance and repair of both the WWTP and collection system. The village also retains the services of contractors for waste tankering, plumbing and electrical services.</p>	<p>That O&M documentation be prepared and implemented in accordance with the current systems for collection, treatment and disposal of sewage flows.</p>	<p><i>Moama will prepare this O&M documentation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 30 September 2018</i></p>	
<p>07/2017 C2</p>	<p>Asset Management Information System Asset Management is based on Microsoft Dynamics Navision 2015 software, which is used throughout the NLV group of companies. The financial sub-package of the software covers purchasing, payments and receipts. A data-recording sub-package is used for recording and compiling data associated with operations, maintenance and monitoring; and The computer server is located in a locked and alarmed room in the administration building - which is also locked and alarmed outside business hours. Access to the server is by password, which in turn, allows or denies access to specific staff members. Data is backed up daily to the cloud.</p>	<p>The name of the software package should be corrected in the AMP. A brief description or diagram should also be provided of the uses and interconnections of the sub-packages.</p>	<p><i>Moama will update its Asset Management Plan as per this recommendation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	
<p>08/2017 D3</p>	<p>Risk Management Figure 3 of the AMP contains a conventional risk analysis and control approach. Reviewer noted the provision of a 20 KVA diesel generator to start automatically in the event of a power failure. It is noted that the analysis considers only the WWTP. The collection system sewers, pumping stations and effluent disposal system are not addressed. Also, as noted elsewhere, the AMP is dated 2009 and - as for the risk assessment, requires a thorough review and update.</p>	<p>The risk assessment should be updated to include:</p> <ul style="list-style-type: none"> • The current systems – including the collection, pumping, treatment and effluent disposal systems; and <p>Recommendation number 11 of the Quantum Assurance 2014 Review, as set out in Table 7 of the report.</p>	<p><i>Moama will update its Asset Management Plan as per this recommendation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	

<p>09/2017 D4</p>	<p>Contingency Planning</p> <p>There is no contingency plan for the sewer collection system, pumping station WWTW or effluent disposal system. The inference being that emergency situations can be competently handled by experts such as WWS, Land and Water Services, supported by Moama's preferred tankering, plumbing and electrical contractors.</p>	<p>That a set of contingency plans be prepared to address emergency procedures for the overall system. The documentation should include:</p> <ul style="list-style-type: none"> • A sequence of steps in addressing emergencies, together with a list of critical personnel, contractors and authorities; and <p>As appropriate, recommendation number 12 of the Quantum Assurance 2014 Review, as set out in Table 7 of the report.</p>	<p><i>Moama will establish this documentation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 September 2018</i></p>	
<p>10/2017 C2</p>	<p>Financial Planning</p> <p>NLV's financial planning focuses on stability and profitable operation of the overall company, rather than that of the sewerage facilities at its various villages. Therefore, the annual cost of operating the sewerage system is estimated and included in a consolidated operating and management budget for TLLV. Following approval of the NLV board, TLLV must manage its expenditure within its budget limits;</p> <p>The sewerage system costs include the fees and expense for WWS operation of the systems together with an allowance for unforeseen maintenance and repairs. Reviewer was advised of WSS service fees and allowances made for maintenance and repairs. This information was provided "commercial in confidence". Reviewer considers the approach is reasonable; and</p> <p>Financial information provided within the 2009 AMP indicated NLV expected to be able to fund the TLLV for the forthcoming five years. The 2009 figures are out of date and obviously no longer valid. In the absence of updated information for NLV, the Reviewer is unable to assess whether or not funding for TLLV is guaranteed currently or in the future five or so years.</p>	<p>That the 2008 financial plan in the 2009 AMP be update to 2018 including forecasts for the forthcoming five years;</p> <p>That the financial plan and rolling five years forecasts be updated annually and included in the AMP; and</p> <p>That these recommendations be implemented having reference also to recommendation number 13 of the Quantum Assurance 2014 Review, as set out in Table 7 of this report.</p>	<p><i>Moama will update its Asset Management Plan as per this recommendation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	

<p>11/2017 C3</p>	<p>Capital Expenditure Planning</p> <p>Although the AMP contains an asset replacement schedule and associated estimates, the information is out dated. There is no formal capital expenditure plan. WWS advises Moama of any capital expenditure which it considers necessary and implements the replacement on receipt of TLLV approval. This approach in conjunction with the overall TLLV approved budget appears satisfactory in the interval prior to a decision and implementation of a new WWTP construction or connection to sewer</p>	<p>Until a new WWTP is constructed, or sewage flows are disposed of to the Water Corp's system the current practise of WWS provision of its services – including WWS forecasting of capital expenditure as necessary, be continued and documented; and</p> <p>That – pending a decision and implementation on future treatment and disposal of sewage, this recommendation supersedes recommendation number 14 of the Quantum Assurance 2014 Review, as set out in Table 7 of this report.</p>	<p><i>Moama will update its Asset Management Plan as per this recommendation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	
<p>12/2017 D4</p>	<p>Review of Asset Management System</p> <p>The AMP is dated 2009 and appears to have been prepared as part of the original licence application – rather than as a guide to the existing sewerage systems management and operations. The AMP is considered almost useless in terms of the current operations and practises. Notwithstanding the lack of useful documentation, the management of the assets is considered acceptable although segmented.</p>	<p>That the existing 2009 AMP and its associated systems be reviewed and updated including provision of a written requirement for on-going reviews at intervals not exceeding three years.</p>	<p><i>Moama will update its Asset Management Plan as per this recommendation.</i></p>	<p><i>Melissa Cattai, Administration Assistant 1 December 2018</i></p>	