



# TREATMENT OPERATIONS AND DESALINATION COMMITTEE CHARTER



## Committee name

The committee shall be known as the Treatment Operations and Desalination Committee (the 'Committee').

## Purpose

The Board has established the Committee to provide assistance in fulfilling its oversight responsibilities with regard to the following:

- a) The competitive sourcing process for operation and maintenance of Hunter Water's water and wastewater treatment works ('Treatment Operations')
- b) The capital funding for project delivery and award of phase 2 of the Belmont Desalination Plant, including the development of a target outturn cost ('TOC') and agreement of the TOC with John Holland Pty Ltd.

## Objectives

In fulfilling its purpose, the Committee's objectives are to oversee and provide assistance to the Board in relation to:

- a) The competitive sourcing process for the Treatment Operations contract with regard to the following:
  - Hunter Water's business objectives
  - Mitigation of risk
  - Value for money
  - Probity and compliance with Hunter Water's commercial and procurement policy and related documents
- b) Capital funding for project delivery and the award of phase 2 of the Belmont Desalination Plant as described above.

## Authority

The Committee is a sub-committee of the Board. The Committee has no executive powers.

In carrying out its duties the Committee shall have the authority to discuss directly with management, internal auditors or consultants (including probity advisors) any issue within its remit and to request reports, explanations and information on any of the activities, practices or procedures of the Corporation.

The Committee is authorised by the Board to obtain independent legal or other professional advice, if it considers necessary or appropriate, at the cost of the Corporation.

## Duties and responsibilities

In order to fulfil its objectives, the Committee will:

- a) Treatment Operations:
  - Review and provide advice to the Board on the development and implementation of the sourcing strategy for treatment operations.
  - Consider recommendations submitted from time to time with regard to significant issues (such as evaluation criteria, allocation of significant risks, incentive and performance management provisions).

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- Review and recommend to the Board the shortlist of service providers to be invited to tender following evaluations of Expressions of Interest (EOI).
  - Recommend the preferred tender for award of contract to the full Board for their consideration.
- b) Belmont Desalination Plant
- Review and provide advice to the Board on the approval of capital funding for project delivery and award of Phase 2 of the project, including the development of the TOC and agreement of the TOC with John Holland Pty Ltd, for the Board's consideration.
  - Consider recommendations submitted from time to time in relation to significant issues.

## Membership, appointment and term

The Committee will consist of the following:

- Chair of Investment Committee
- Chair of Audit and Risk Committee
- Chair of People and Culture Committee
- Chair of Sustainability Committee

The Managing Director (and any other management as agreed by the Chair) may attend the meetings of Committee. Committee members, if necessary, are able to have in-camera discussions. The Committee may invite any other individuals to attend meetings of the Committee, as it considers appropriate.

All attendees are responsible and accountable for maintaining the confidentiality of the information they receive during the course of these meetings.

## Chair

The Nominations and Governance Committee will appoint a non-executive director to be Chair of the Committee.

## Secretary

A senior manager, nominated by the Managing Director and approved by the Chair of the Committee, will be the Secretary of the Committee.

The Secretary, in conjunction with the Chair and/or the Managing Director, will be responsible for determining the agenda and distributing the business papers to the Committee members at least three full business days prior to each meeting. The Secretary will also be responsible for keeping the minutes of the Committee and circulating these to Committee members within in one month of the meeting. The Secretary may be supported in these duties by other management personnel.

## Meetings

The Committee will hold meetings at key milestone events as agreed by the Committee, and additional meetings as the Chair may determine necessary in order to fulfil its duties. The Chair of the Committee will report to the Board following each committee meeting.

## Conflict of interest

Committee members must declare their interest, whether perceived, pecuniary or otherwise, in the exercise of their duties under Schedule 10 of the State Owned Corporations Act 1989 (NSW).

## Quorum

A quorum will consist of two Committee members. Meetings can be held in person, by telephone, by video conference or by any combination of these media

## Assessment

The Committee will review its performance against the Charter on an annual basis and report to the full Board.

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## Review of Committee Charter

The Committee will review this Charter on an annual basis and at such other times as it considers a review to be necessary or appropriate.

Approved by:	Board of Directors	Approved date:	23 February 2023
Maintained by:	Executive Manager Governance and Assurance	Next scheduled review date:	As per the IMS Standard ( <a href="#">HW2013-421/22.002</a> )
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