

2021 Price Submission engagement: Patterson Lakes Quiet Lakes residents

Melbourne Water manages the lakes, waterways and associated infrastructure – including jetties and tidal gates – within the Patterson Lakes’ Tidal Waterways and Quiet Lakes communities. Patterson Lakes was originally part of the Carrum Carrum Swamp, and developed in the early 1970s on the condition that its lakes and waterways would remain under the control and management of a waterway authority.

Together with residents, Melbourne Water and Kingston City Council share responsibility for maintaining the area’s waterways on a fee-for-service basis. These annual fees are:

- **Jetty infrastructure charge**, paid by owners of properties within the Tidal Canals that have a mooring allocation. The charge recovers the cost of jetty construction and maintenance, and was introduced in 2014 following the removal of the Precept Rate previously charged. At the time, it was decided this would be a flat rate with only CPI increases in the annual maintenance charge. We are not proposing any changes to the annual capital recovery costs in our 2021 Price Submission.
- **Bore flushing charge**, paid by owners of properties in the Quiet Lakes with access to Lakes Legana and Illawong (excluding Lake Carramar, which does not receive this service). The charge funds services to manage water quality including additional bore flushing and algae monitoring, which are currently conducted for six months of the year over the summer period. Following residents’ requests for a reduction in the frequency and duration of algal blooms, we proposed three service level options for our 2021 Submission.

Property owners also pay Melbourne Water’s Waterways and Drainage Charge, which supports waterway health and flood protection activities across Greater Melbourne. Within the Patterson Lakes area this funds lake maintenance through bore water flushing and water quality monitoring, and flood gates (‘tidal gates’) to protect the area’s 1400 residents.

Objectives

Engagement focussed on residents of Lake Legana and Lake Illawong, as no material changes to charges were proposed for residents of Lake Carramar and the Tidal Waterways. We sought to understand customer preferences and willingness to pay for increased levels of water quality services – principally use of the bore pump and algae testing and analysis. The three options put forward to customers were:

- no change to level of service (i.e. bore flushing and visual algae monitoring for six months of the year)
- increased bore flushing and visual algae monitoring for 12 months of the year
- increased bore flushing and visual algae monitoring for 12 months of the year, and additional algae testing and analysis.

Approach

Our engagement approach respected the long history and relationship with the Patterson Lakes Quiet Lakes Owners and Residents Association (the Association), as well as the need for a rigorous and independent process to ensure views from the broader Quiet Lakes community were accurately represented.

The Association comprises 10 residents and an elected President, who meet with Melbourne Water every few months to discuss water quality and increased use of the bore for flushing.

Table 1: Summary of engagement activities

Association meetings	<p>Communications (in person and online) between the President of the Association and Melbourne Water’s regional services team aimed to develop a service proposal for increased bore flushing and algae testing, and gain agreement on the approach for testing the proposal with Lake Legana and Illawong residents.</p>
11 Oct 2019 – Mar 2020	<p>Melbourne Water agreed to develop costings for weekly water quality testing (including visual inspections and/or lab testing for algae) and using the bore to flush 1.5 ML/day, 365 days a year. Melbourne Water also agreed to survey Quiet Lakes residents to establish agreement for any increase in service levels and associated costs.</p>
Survey	<p>A paper survey was sent to each property at Lake Legana and Illawong, requiring them to indicate their preferred level of water quality service (and associated cost) from three options. They were also given an option to provide additional comments, or complete the survey by phone.</p>
06 April – 13 May 2020	<p>Each household was allocated a unique property code to prevent duplicate votes and enable follow-up reminders if required. To maintain anonymity and ensure the integrity of the process, an independent company (Evaluation Solutions) was engaged to run the survey and tally the results.</p>
Bulletins	<p>Printed bulletins were distributed to all Patterson Lakes properties to inform them of the Price Submission process. Residents of the Tidal Waterways and Lake Carramar were advised that Melbourne Water was not proposing any material changes to pricing, while residents of Lake Legana and Illawong were provided with information on how to complete the survey.</p>
April 2020	<p>Two further bulletins were distributed to Lake Legana and Illawong residents to remind them to complete the survey and advise them of an extension to the survey deadline.</p>
Close the loop communication	<p>A final bulletin was distributed to residents in June to communicate the survey results and service proposal and price impact intended to be included in our 2021 Price Submission.</p>
June 2020	

Survey results

The Quiet Lakes willingness to pay survey closed on Wednesday 13 May 2020, with residents being given a two-week extension from the original closing date of 30 April 2020. Of the 251 survey forms issued, 175 valid responses were received – representing an overall completion rate of 70 per cent.

When distributing the survey forms, Melbourne Water communicated to residents that it would propose an increase in service levels (including associated costs) if two-thirds of property owners voted in favour of this.

Of those who responded (i.e. 175 valid survey forms received):

- 75% supported increased bore flushing (options 2 and 3 combined)
- 64% supported increased bore flushing AND algae testing (option 3)
- 24% supported maintaining the current arrangements (option 1).

Taking all property owners into account (including the 30% who did not vote):

- 52% supported increased bore flushing (options 2 and 3 combined)
- 45% supported increased bore flushing AND algae testing (option 3)
- 17% supported maintaining the current arrangements (option 1).

Table 2: Distribution of votes as a percentage of total properties, and percentage of completed surveys

Distribution of votes	No.	% (total properties)	% (completed surveys returned)
Option 1 (6 months bore flushing – no change)	42	17%	24%
Option 2 (12 months bore flushing)	19	7%	11%
Option 3 (12 months bore flushing and additional algae testing and analysis)	112	45%	64%
No preference indicated	2	1%	1%
Did not vote	76	30%	N/A
Total	251	100%	N/A

Comments were also received from 48 properties, summarised as follows.

Table 3: Summary of comments from respondents

Option selected	Comment themes
1	<ul style="list-style-type: none"> • Current arrangements were deemed satisfactory, or additional bore flushing was viewed as a waste of water • Unwilling or unable to afford an increase in charges
2	<ul style="list-style-type: none"> • Desire for increased transparency, regular reporting and communication of water quality and monitoring results
3	<ul style="list-style-type: none"> • Questions on who should be responsible for funding activities (e.g. Lake Carramar residents) and reference to the outcomes of the <i>2013 Independent Review</i>, which residents interpreted as recommending Melbourne Water bear full responsibility for maintaining water quality in the Quiet Lakes. (The Waterways and Drainage Charge does not cover the use of the bore to provide water quality in the Quiet Lakes at a level higher than secondary contact standard. Additional levels of service are provided on a user-pays basis.) • Perceptions that water quality in the Quiet Lakes was meant to be maintained to primary contact standards (i.e. swimmable), or a desire to make it so • Strong desire to have water quality results published regularly (e.g. online or via community noticeboard), and communicate maintenance schedule and other information pertinent to new residents • Perceptions that residents were being charged twice to reinstate the previous allocation of bore water pumping • Desire to see recent improvements in water quality continue, or desire to avoid algae build up witnessed earlier in the year

Option selected	Comment themes
	<ul style="list-style-type: none"> The need to consider affordability given the significant proportion of pensioners in the area and impacts of COVID-19, or allow concessions/subsidies

Other comments related to specific maintenance issues, including sand and sediment, blocked drains, build-up of seaweed, mosquitos and carp. Residents were keen to know what is being done to manage these issues and when they are scheduled.

Recommendation

Due to the number of property owners who did not complete the survey, none of the three options received majority support. However, given Option 3 (12 months bore flushing and additional algae testing) includes service levels listed under Option 2 (12 months bore flushing), combining votes for both these options results in a 52 per cent majority support for 12 months of bore flushing, i.e. **Option 2**.

Based on these preferences, Melbourne Water has proposed Option 2 for our 2021 Price Submission. This represents a modest increase in service levels that balances affordability with majority customer support for an uplift in services.

Implementation of increased bore flushing is subject to a favourable result from the independent bore water investigation being conducted by Southern Rural Water and a consultancy.

Further references

- [Quiet Lakes Bore Flushing Survey April 2020 – Report of results \(PDF\)](#)