



WATER
DIRECTORATE

Constitution of the Water Directorate

Adopted by Special Resolution of the
Executive Committee on 14 July 2011

CONSTITUTION OF THE

WATER DIRECTORATE INCORPORATED

The name of the Association shall be the Water Directorate Incorporated referred to in this Constitution as the "Water Directorate".

1. INTERPRETATION

1.1 In this constitution, unless the contrary intention appears:

"**Accounts**" means:

- (a) an income and expenditure statement; and
- (b) balance sheet;

of the Water Directorate prepared each Financial Year in accordance with the Rules.

"**Act**" means the Associations Incorporation Act 1984 (NSW).

"**Annual General Meeting**" means a meeting convened in accordance with Clause 16 hereof.

"**Business Plan**" sets out the concept, objectives, action plan, financial plan and organisational arrangements of the Water Directorate.

"**Constitution**" means the Constitution of the Water Directorate.

"**Executive Committee**" means the Executive Committee of the Water Directorate as defined in Rule 11 hereof.

"**Executive Committee Member**" means an Executive Committee member of the Water Directorate as defined in Rule 11 hereof.

"**Financial Year**" means the twelve (12) month period ending on 30 June each year or as specified by incorporation.

"**Member Council**" means a member council of the Water Directorate as defined in Rules 5 and 6 hereof.

"**Ordinary Resolution**" means a resolution of any meeting of the Water Directorate (or any committee thereof) of which no notice is required and which requires a simple majority of the Member Councils or committee members (as the case may be) present and eligible (in person) to vote at such meeting:-

- (a) in person; or

- (b) by postal ballot in accordance with Appendix 2; or
- (c) in the case only of a Special General Meeting of Member Councils of the Water Directorate by proxy.

"Public Officer" means the Public Officer of the Water Directorate as defined in Rule 12 hereof.

"Returning Officer" is the Public Officer of the Water Directorate.

"Rules" means the Constitution of the Water Directorate;

"Rule" means each rule, section or clause of the Constitution.

"Secretariat" means the Secretariat of the Water Directorate as defined in Rule 13 hereof.

"Secretary" means:

- (a) the person holding office under these rules as secretary of the Water Directorate; or
- (b) if no such person holds that office, the Public Officer of the Water Directorate.

"Special General Meeting" means a meeting other than an Annual General Meeting, convened in accordance with Rule 17 hereof.

"Special Resolution" means a resolution of any meeting of the Water Directorate (or any committee thereof) of which not less than 21 days written notice has been given and which is assented to by at least three-quarters (75%) of the Member Councils or committee members (as the case may be) eligible to vote at such meeting:

- (a) in person; or
- (b) by postal ballot in accordance with Appendix 2; or
- (c) in the case only of an Annual General Meeting or a Special General Meeting of Member Councils of the Water Directorate by proxy.

"Water Directorate" means the Water Directorate, which is an incorporated association pursuant to the Act.

- 1.2 In these Rules, unless the contrary intention appears, words importing the singular number shall include the plural number and vice versa and words importing the male gender shall include the female gender and vice versa.

2. OFFICE OF THE WATER DIRECTORATE

The office of the Water Directorate shall be at the address of the Public Officer for the time being or at such other address as the Executive Committee may from time to time determine ("the Office").

3. WATER DIRECTORATE OBJECTIVES

3.1 The basic objectives of the Water Directorate are to:

- (a) Develop guidelines on how to implement various legislation and regulations related to the water industry;
- (b) Provide a technical support base to Member Councils;
- (c) Work with Local Government Association of NSW and Shires Association of NSW to develop policy;
- (d) Increase government awareness (at all levels) of its position on various issues; and
- (e) Develop strategies for increasing industry efficiencies and encouraging long term planning.

3.2 In addition to the basic objectives of the Water Directorate, the objectives of the Water Directorate also include:

- (a) the purchase or lease of any real or personal property that may be deemed necessary or convenient for furthering the objectives of the Water Directorate.
- (b) the printing and publishing of such newspapers, periodicals, books, leaflets or other documents as the Executive Committee or the Member Councils in general meeting may think desirable for the promotion of the objectives of the Water Directorate;
- (c) the investment of any monies of the Water Directorate not immediately required for any of its objectives in such manner as the Executive Committee may from time to time determine;
- (d) the entering into of arrangements with any government or semi-government body (including local government bodies) that may seem conducive to the Water Directorate's objectives; and to obtain from any such body any rights, privileges and concessions which the Water Directorate may think desirable to obtain; and carry out exercise and comply with such arrangements, rights, privileges and concessions;

- (e) the establishment, formation, furnishment and maintenance of libraries for the purpose of assisting the practice of water and sewerage professionals; and
- (f) without limiting paragraph 4.1(a) to (e) or 4.2(a) to (e), the doing of all such other things as are incidental or conducive to the attainment of the objectives and the exercise of the powers of the Water Directorate.

4. ALTERATION OF THE CONSTITUTION OF THE WATER DIRECTORATE

This Constitution of the Water Directorate may be altered, rescinded, replaced or added to only by a Special Resolution.

5. MEMBERSHIP AND SUBSCRIPTIONS

5.1 The Member Councils of the Water Directorate are:

- (a) Member Councils as at the date of the incorporation of the Water Directorate under the Act; and
- (b) such councils as are admitted to membership in accordance with these rules.

5.2 Membership of the Water Directorate is open to:-

- (a) All councils providing water supply and/or sewerage services in NSW.
- (b) Such councils outside NSW providing water supply and/or sewerage services as the Executive Committee considers will further the objectives of the Water Directorate;
- (c) Councils that provide bulk water supply and/or sewerage services, such as County Councils, to a Member Council; and
- (d) Corporations whose members are Councils that provide water supply and/or sewerage services in NSW.

5.3 Members shall pay such subscriptions as the Executive Committee fixes:-

- (a) on admission to membership; and
- (b) as an annual subscription which shall be determined within the Business Plan.

5.4 The annual subscription shall be notified to Member Councils by invoice in writing and is due and payable to the Water Directorate on or before the first day of the Water Directorate's Financial Year.

- 5.5 The Executive Committee may from time to time determine categories of Member Councils and fees payable by each category of Member Council.
- 5.6 The Executive Committee may from time to time determine variations to fees payable by Member Councils.
- 5.7 Member Councils shall be deemed unfinancial until the annual subscription and all outstanding balances shown in the Accounts of the Water Directorate for the previous year have been paid to the Water Directorate.
- 5.8 A Member Council may not, unless and until Rules 5.4 and 5.7 have been complied with, exercise any right or privilege granted to a Member Council under these Rules or otherwise.
- 5.9 A Member Council of the Water Directorate ceases to be a Member Council if the Member Council:
- (a) resigns from membership;
 - (b) is expelled from the Water Directorate; or
 - (c) remains unfinancial for a period exceeding 6 months.
- 5.10 The liability of a Member Council to contribute towards the debts and liabilities of the Water Directorate or the costs, charges and expenses of the winding- up of the Water Directorate, is limited to the amount (if any) unpaid by the Member Council in respect of the membership of the Water Directorate as required by Rules 5.3 and 5.7 hereof.
- 5.11 A right, privilege or obligation, which a Member Council has by virtue of membership of the Water Directorate:
- (a) is not capable of being transferred or transmitted to another council except in the case of amalgamation of one or more member councils; and
 - (b) terminates upon cessation of membership, other than the obligation to pay to the Water Directorate any amount by way of unpaid membership fees which may be recovered by the Water Directorate as a liquidated debt.

6. REGISTER OF MEMBERS

- 6.1 The Public Officer shall establish and maintain a database of Member Councils of the Water Directorate specifying the name and address of each Member Council together with the date of entry to membership ("**Register of Member Councils**").
- 6.2 The Register of Member Councils shall be kept at the Office of the Water Directorate and shall be open for inspection, free of charge, by any Member Council of the Water Directorate at any reasonable hour.

7. RESOLUTION OF INTERNAL DISPUTES

- 7.1 Disputes between Member Councils (in their capacity as Member Councils) of the Water Directorate, and disputes between Member Councils and the Water Directorate, are to be referred to a Community Justice Centre for mediation in accordance with the *Community Justice Centres Act 1983*.
- 7.2 At least 7 days before a mediation session is to commence, the parties are to exchange statements of the issues that are in dispute between them and supply copies to the mediator.

8. DISCIPLINING OF MEMBERS

- 8.1 A complaint may be made to the Executive Committee by any person that a Member Council:
- (a) has persistently refused or neglected to comply with a provision(s) of the Rules; or
 - (b) has persistently and wilfully acted in a manner prejudicial to the interests of the Water Directorate.
- 8.2 On receiving such a complaint, the Executive Committee:
- (a) must cause notice of the complaint to be served on the Member Council concerned; and
 - (b) must give the Member Council at least 14 days from the time the notice is served, within which to make submissions to the Executive Committee in connection with the complaint; and
 - (c) must take into consideration any submissions made by the Member Council in connection with the complaint.
- 8.3 The Executive Committee may, by resolution, expel the Member Council from the Water Directorate or suspend the Member Council from membership of the Water Directorate if, after considering the complaint and any submissions made in connection with the complaint, it is satisfied that the facts alleged in the complaint have been proved.
- 8.4 If the Executive Committee expels or suspends a Member Council, the Secretary must, within 7 days after the action is taken, cause written notice to be given to the Member Council of the action taken, of the reasons given by the Executive Committee for having taken that action and of the Member Council's right of appeal under Rule 9.

- 8.5 The expulsion or suspension does not take effect:
- (a) until the expiration of the period within which the Member Council is entitled to appeal against the resolution concerned; or
 - (b) if within that period the Member Council exercises the right of appeal, unless and until the Water Directorate confirms the resolution under Rule 9.5;
- whichever is the later.

9. MEMBER COUNCIL'S RIGHT TO APPEAL

- 9.1 A Member Council may appeal to the Water Directorate in general meeting against a resolution of the Executive Committee under Rule 8.3, within 7 days after notice of the resolution is served on the Member Council, by lodging with the Secretary a notice to that effect.
- 9.2 The notice may, but need not, be accompanied by a statement of the grounds on which the Member Council intends to rely for the purposes of the appeal.
- 9.3 On receipt of a notice from a Member Council under subclause 9.1, the Secretary must notify the Executive Committee which is to convene a general meeting of the Water Directorate to be held within 28 days after the date on which the Secretary received the notice.
- 9.4 At a general meeting of the Water Directorate convened under subclause 9.3:
- (a) no business other than the question of the appeal is to be transacted, and
 - (b) the Executive Committee and the Member Council must be given the opportunity to state their respective cases orally or in writing, or both; and
 - (c) the members present are to vote by secret ballot on the question of whether the resolution should be confirmed or revoked.
- 9.5 If at the general meeting, the Member Councils present pass a special resolution in favour of the confirmation of the resolution, the resolution is confirmed.

10. MANAGEMENT STRUCTURE

- 10.1 The management structure of the Water Directorate shall comprise:
- (a) Executive Committee;
 - (b) the Public Officer;

- (c) the Secretariat; and
- (d) specialist subcommittees and working parties with responsibilities as provided within these Rules to pursue the objectives defined in Clauses 4.1 and 4.2.

10.2 The Office Bearers of the Water Directorate shall be:

- (a) Executive Committee;
- (b) the Chair.

10.3 The Executive Committee and Chair shall hold office from the date of their election or appointment for a term of 2 years, but shall be eligible for re- election or re-appointment.

10.4 Subject to Rule 11.3, the procedure for the election of Office Bearers is set out in Appendix 1.

11. THE EXECUTIVE COMMITTEE

11.1 Membership of the Water Directorate Executive Committee comprises not more than twenty representatives being:

- (a) Eighteen regional representatives elected from nine regional groups of councils (based on the IPWEA regions);
- (b) Two representatives per region with the exception of:
 - (i) the South West region which will have three representatives; and
 - (ii) the Illawarra region which will have one representative.
- (c) Two representatives of the Local Government Association of NSW and Shires Association of NSW and their successors, being:-
 - (i) A Committee member from time to time of either; and
 - (ii) an employed Policy Officer from time to time of either,

both of whom shall be appointed by the remaining elected members of the Executive Committee at the first Executive Committee meeting of each term.

11.2 The General Manager from time to time of each Member Council may nominate representatives for election to the Executive Committee pursuant to Rule 11.1 (a) for their respective regions only.

11.3 In the event that the number of representatives nominated is the same or less than the number allocated for that region, these nominees will be automatically elected

to the Executive Committee, otherwise elections shall be held in accordance with provisions of Appendix 1.

- 11.4 Where there are no Member Councils for a particular region, the Executive Committee positions for that region shall remain vacant until such time that councils in the region become members.
- 11.5 The Public Officer will be the Returning Officer and the procedure for the election of the Executive Committee members is set out in Appendix 1.
- 11.6 Members of the Executive Committee:-
- (a) will not be remunerated for their time or expenses associated with attending Executive Committee meetings;
 - (b) may be reimbursed for expenses associated with the fulfilment of sub-committee commitments or inputs to the achievement of the business plan provided there is compliance with the following criteria:-
 - (i) expenses associated with attending sub-committee meetings will be met by the sub-committee member's Member Council for the first two meetings;
 - (ii) if more than two sub-committee meetings are required per sub-committee action then the reimbursement of expenses will be at the discretion of the sub-committee;
 - (iii) an expense claim form must be filled out and a copy of all receipts provided;
 - (iv) expense claims for up to the amount specified in the then current approved reimbursement guidelines can be approved by the Public Officer at his/her discretion, without reference to the Executive Committee; and
 - (v) expense claims for more than the amount specified in the then current approved reimbursement guidelines must be approved by the Executive Committee.
 - (c) may be reimbursed for reasonable out-of-pocket expenses for attendance at external workshops, seminars, meetings with Government Departments and other external activities promoting the objectives of the Water Directorate as authorised by the Executive Committee, on a case- by-case basis.
- 11.7 Subject to these Rules, the Executive Committee:
- (a) shall control and manage the business and affairs of the Water Directorate;

- (b) may exercise all such powers and functions as may be exercised by the Water Directorate;
 - (c) has power to perform all such acts and things as appear to the Executive Committee to be essential or desirable for the proper management of the business and affairs of the Water Directorate;
 - (d) shall determine all categories for membership of the Water Directorate;
 - (e) shall develop the Water Directorate's strategic plan and policies;
 - (f) shall monitor the action plans which are developed by the Public Officer;
 - (g) may from time to time delegate its powers and functions to a sub-committee or individual with the exception of the following:
 - (i) this power of delegation; and
 - (ii) any function that is a duty of the Executive Committee imposed by any law.
- 11.8 The Executive Committee shall meet not less than five (5) times in each year to transact the business of the Water Directorate.
- 11.9 Seven (7) Executive Committee members, excluding the Public Officer shall constitute a quorum at meetings of the Executive Committee.
- 11.10 If there is no quorum within 30 minutes of the approved time for an Executive Committee meeting, then the meeting shall stand adjourned to the same time and place one week later and the Public Officer shall notify all Executive Committee Members of the adjourned time and place. Three (3) Executive Committee members shall constitute a quorum at such adjourned Executive Committee meeting.
- 11.11 The Executive Committee shall determine the business to be discussed at its meetings but shall so far as is practicable follow the Standing Orders for Executive Committee meetings set out in Schedule 1 hereof.
- 11.12 Except as elsewhere provided in these Rules, questions arising at meetings of the Executive Committee shall be determined by a simple majority of those present and entitled to vote by a show of hands or, if requested by five or more Executive Committee Members, by a secret ballot.
- 11.13 For the purposes of these Rules, a casual vacancy in the office of Executive Committee representative occurs if the representative:
- (a) dies; or

- (b) resigns office by notice in writing given to the Public Officer, or
- (c) becomes bankrupt; or
- (d) is removed from office under rule 11.14; or
- (e) becomes a mentally incapacitated person; or
- (f) is absent without the consent of the Executive Committee from three consecutive meetings.

11.14 The Member Councils in general meeting may by resolution remove any member of the Executive Committee from the office of member before the expiration of the member's term of office and may by resolution appoint another person to hold office until the expiration of the term of office of the member so removed.

11.15 If a member of the Executive Committee to whom a proposed resolution referred to in Rule 11.14 relates makes representations in writing to the Public Officer or Chair (not exceeding a reasonable length) and requests that the representation be notified to the Member Councils, the Public Officer or the Chair may send a copy of the representations to each Member Council or, if the representations are not so sent, the member is entitled to require that the representations be read out at the meeting at which the resolution is considered.

12. THE PUBLIC OFFICER

12.1 The Public Officer shall be appointed by the Executive Committee and shall be the Public Officer of the Water Directorate.

12.2 Subject to these Rules, the Public Officer shall have delegated to him/her the powers and functions of the Executive Committee between meetings with the exception of:

- a) determining membership subscriptions;
- b) any other matter that the Executive Committee may determine from time to time; and
- c) its power to delegate.

12.3 The Public Officer shall not be a voting member of the Executive Committee.

12.4 The Public Officer shall receive payment for his/her services as may be determined by the Executive Committee.

12.5 The Public Officer's title shall be "Executive Officer".

- 12.6 The Public Officer shall attend to the day-to-day business of the Water Directorate as directed by the Executive Committee and in accordance with these Rules and his/her duties include the following:
- (a) receiving and issuing of receipts for monies received and the depositing of such monies to the credit of the Water Directorate's bank account within one week of its receipt;
 - (b) verification of all accounts for goods and services rendered to the Water Directorate and the payment of the amounts due from the funds of the Water Directorate;
 - (c) keeping of a minute book which record all minutes of meetings and resolutions of the Executive Committee and of the Water Directorate;
 - (d) keeping of an account of all monies received and disbursed;
 - (e) before the commencement of each Financial Year, the preparation of a budget estimating income and expenditure for the ensuing Financial Year and the submission of such budget to the Executive Committee for ratification;
 - (f) at the end of each Financial Year, preparation of the Accounts of the Water Directorate and after the audit of the Accounts, the submission of the Accounts to the Executive Committee and their inclusion in the annual report to Member Councils;
 - (g) presentation at each meeting of the Executive Committee of a statement of financial transactions which have been undertaken on behalf of the Water Directorate since the previous meeting of the Executive Committee for endorsement by the Executive Committee;
 - (h) calling of meetings of the Executive Committee and Member Councils in accordance with these Rules;
 - (i) maintaining accurate records of the Water Directorate's affairs;
 - (j) promptly attending to all necessary correspondence;
 - (k) preparing the annual report of the Water Directorate;
 - (l) generally ensuring that the business and affairs of the Water Directorate are in order;
 - (m) custody of the books and records of the Water Directorate and, upon resignation or termination of appointment, delivery of such material, to the Executive Committee; and

(n) undertaking such tasks as may be reasonably required by the Executive Committee from time to time.

12.7 The Public Officer shall be the Returning Officer for the election of Office Bearer(s) and shall conduct any necessary election and any postal ballot.

12.8 The Public Officer shall be responsible for the engagement of staff necessary for the proper administration of the Water Directorate.

13. THE SECRETARIAT

The Secretariat shall comprise from time-to-time such full and part-time employees and/or contractors as are required by the Water Directorate from time to time to provide paid administrative services and accommodation to the Water Directorate.

14. SPECIALIST SUBCOMMITTEES AND WORKING PARTIES

14.1 The Executive Committee may appoint and convene such specialist subcommittees and working parties as are necessary to undertake tasks required by the Executive Committee.

14.2 The specialist subcommittees and working parties shall have such powers and functions as may be determined by the Executive Committee, in accordance with these Rules from time to time.

15. FUNDS OF THE WATER DIRECTORATE

15.1 The funds of the Water Directorate shall be derived from membership fees, sponsorship, donations and such other sources as the Executive Committee may determine.

15.2 The income and property of the Water Directorate shall be applied solely towards the promotion of the objectives of the Water Directorate and subject to Rule 15.3 no portion thereof shall be, paid or transferred, directly or indirectly, to Member Councils or Executive Committee Members of the Water Directorate.

15.3 On dissolution of the Water Directorate, its property remaining, after satisfaction of all debts and liabilities, shall be repaid to Member Councils in proportion to the amount paid by each Member Council by way of annual subscription in the year the Water Directorate is dissolved, unless it is resolved by a Special Resolution that on dissolution of the Water Directorate, its remaining property, after satisfaction of all debts and liabilities, be transferred to another entity with similar objectives to the Water Directorate.

15.4 The Water Directorate shall cause to be opened a bank account in its name into which all monies received by the Water Directorate shall be paid as soon as possible after receipt thereof.

- 15.5 The Public Officer shall invest surplus funds of the Water Directorate with Australian licensed banks and authorised trustee investment bodies only.
- 15.6 The Public Officer is authorised to spend within the annual delegation of funds and in accordance with the objectives identified in each Business Plan as determined by the Executive Committee.
- 15.7 All cheques and other negotiable instruments shall be issued by the Water Directorate after authorisation from:-
- (a) the Public Officer in accordance with Clause 15.6; or
 - (b) the Executive Committee.
- 15.8 No cheques shall be drawn on the Water Directorate's account except for the payment of expenditure that has been authorised by the Water Directorate in accordance with these Rules.
- 15.9 Except with the authority of the Executive Committee, no payment of a sum exceeding fifty dollars (\$50.00) shall be made from the funds of the Water Directorate otherwise than by cheque.
- 15.10 The Public Officer shall, at the end of each Financial Year prepare the Accounts which shall be audited by an auditor or auditors appointed by the Secretariat.
- 15.11 The Public Officer shall be responsible for maintaining accurate financial records to enable preparation of the Accounts and shall deliver to the auditors all such records as are required by them to enable them to certify as to the correctness of the Accounts.
- 15.12 The Accounts of the Water Directorate for each Financial Year shall be examined by auditor(s) who shall certify as to the correctness of the Accounts and report thereon to the first meeting of the Executive Committee for the next Financial Year.
- 15.13 In their report (which shall be endorsed on or annexed to the Chair's statement) the auditor(s) shall state:
- (a) whether they have obtained all information required by them;
 - (b) whether, in their opinion, the Accounts are properly drawn to exhibit a true and correct statement of the financial position of the Water Directorate; and
 - (c) whether the rules relating to the administration of the funds of the Water Directorate have been observed.

15.14 The auditors have a right of access to the accounts, books, records, vouchers and documents of the Water Directorate and may require from any Member Council of the Water Directorate such information and explanation as may be necessary for the performance of their duties as auditors.

15.15 The Water Directorate may be dissolved by Special Resolution.

16. ANNUAL GENERAL MEETINGS

16.1 Subject to Rule 16.2, the Water Directorate must, at least once in each calendar year and within the period of 6 months after the expiration of each Financial Year of the Water Directorate, convene an Annual General Meeting of its members.

16.2 The Water Directorate must hold its first Annual General Meeting:

- (a) within the period of 18 months after its incorporation under the Act; and
- (b) within the period of 6 months after the expiration of the first Financial Year of the Water Directorate.

16.3 The Annual General Meeting of the Water Directorate is, subject to the Act and to Rule 16.1, to be convened on such date and at such place and time as the Executive Committee thinks fit.

16.4 In addition to any other business which may be transacted at an Annual General Meeting, the business of an Annual General Meeting is to include the following:

- (a) to confirm the minutes of the last preceding Annual General Meeting and of any Special General Meeting held since that meeting;
- (b) to receive from the Executive Committee reports on the activities of the Water Directorate during the last preceding Financial Year; and
- (c) to receive and consider the statement which is required to be submitted to members under section 26(6) of the Act, as amended from time to time.

16.5 Notice of the holding of an Annual General Meeting shall be given by the Public Officer in writing to all Member Councils of the Water Directorate at twenty one days (21) prior to the date thereof.

16.6 An annual general meeting must be specified as such in the notice convening it.

16.7 A quorum at an Annual General Meeting shall be constituted by not less than seven (7) representatives of Member Councils appointed by their respective General Managers and excluding the Public Officer and the Local Government Association and Shires Association NSW representatives on the Executive Committee.

- 16.8 In the event there is not a quorum within 30 minutes of the appointed time for the Annual General Meeting, then the Annual General Meeting is to stand adjourned to the same day in the following week at the same time and (unless another place is specified at the time of the adjournment by the person presiding at the meeting or communicated by written notice to Member Councils given before the day to which the meeting is adjourned), at the same place.
- 16.9 If at the adjourned meeting a quorum is not present within half an hour after the time appointed for the commencement of the meeting, the Member Councils present (being at least 3) is to constitute a quorum.
- 16.10 A Member Council may vote at any Annual General Meeting in person or by proxy or by postal ballot in accordance with Appendix 2 and has one vote only.
- 16.11 The following applies to proxies:
- (a) A proxy may only be appointed in writing in the form set out in Appendix 4 or such other form as the Executive Committee prescribes from time to time or in as similar a form to that as the circumstances allow ("**Form of Appointment**");
 - (b) A proxy must be the Member Council's nominated representative;
 - (c) A person may not be the proxy of more than three (3) other members;
 - (d) Unless otherwise instructed on the form of appointment, the proxy may vote as he or she wishes;
 - (e) Unless the Water Directorate has received notice in writing to the contrary prior to the meeting concerned, a vote by a proxy is valid despite the prior withdrawal of the appointment by the Member Council giving the proxy; and
 - (f) The Form of Appointment of proxy must be lodged with the Public Officer not less than 24 hours before the time appointed for the commencement of the Annual General Meeting concerned.

17. SPECIAL GENERAL MEETINGS

- 17.1 The Executive Committee shall, on a written requisition of not less than:
- (a) one-fifth of the members of the Executive Committee; or
 - (b) one-fifth of the Member Councils;
- convene a Special General Meeting of the Member Councils of the Water Directorate.
- 17.2 A quorum at a Special General Meeting shall be constituted by not less than seven (7) representatives of Member Councils appointed by their respective General

Managers and excluding the Public Officer and the Local Government Association and Shires Association NSW representatives on the Executive Committee.

- 17.3 In the event there is not a quorum within 30 minutes of the appointed time for the Special General Meeting, then the Special General Meeting is dissolved.
- 17.4 The requisition for a Special General Meeting shall state the proposed business of the meeting, shall be signed by the requisitioners and shall be delivered to the Public Officer of the Water Directorate.
- 17.5 The Special General Meeting shall be thereupon convened and held within one month of the date of receipt of the requisition.
- 17.6 The only business to be dealt with at such a Special General Meeting shall be the matters raised in the requisition.
- 17.7 A Member Council may vote at any Special General Meeting in person or by proxy or by postal ballot in accordance with Appendix 2 and has one vote only.
- 17.8 The following applies to proxies:
- (a) A proxy may only be appointed in writing in the form set out in Appendix 4 or such other form as the Executive Committee prescribes from time to time or in as similar a form to that as the circumstances allow;;
 - (b) A proxy must be the Member Council's nominated representative;
 - (c) A person may not be the proxy of more than three (3) other members;
 - (d) Unless otherwise instructed on the form of appointment, the proxy may vote as he or she wishes;
 - (e) Unless the Water Directorate has received notice in writing to the contrary prior to the meeting concerned, a vote by a proxy is valid despite the prior withdrawal of the appointment by the Member Council giving the proxy; and
 - (f) The form of appointment of proxy must be lodged with the Public Officer not less than 24 hours before the time appointed for the commencement of the Special General Meeting concerned.
- 17.9 In the event of a failure by the Executive Committee to convene a Special General Meeting in accordance with a requisition, the requisitioners may convene and hold such meeting.
- 17.10 Notice of the holding of a Special General Meeting shall be given in writing to all Member Councils of the Water Directorate at twenty one days (21) prior to the date thereof.

18. INSURANCE

The Water Directorate may effect and maintain any insurance policies as it consider fit including but not limited to public liability insurance.

19. CONSTITUTIONAL AMENDMENTS

19.1 The Executive Committee shall, during each Financial Year, review this Constitution and may recommend any amendments that are considered necessary or desirable for the efficient operation of the Water Directorate.

19.2 Any Member Council may propose amendments to these Rules by sending a notice in writing to the Public Officer who shall acknowledge receipt of each proposal and place it on the agenda for discussion at the next Executive Committee meeting. The notice must be posted to all Executive Committee Members no later than fourteen (14) days prior to the date set for that meeting.

19.3 Any proposed amendment must be passed by a Special Resolution of Executive Committee Members present at the meeting before it is proposed for adoption by all Member Councils.

19.4 Any proposed amendment to this Constitution:-

- (a) notified to all Member Councils of the Water Directorate at least 21 days (21) prior to the meeting at which it is to be considered;
- (b) passed by Special Resolution of Member Councils;
 - (i) by a postal ballot of all Member Councils held in accordance with Appendix 2; or
 - (ii) at a Special General Meeting of Member Councils convened for that purpose.

20. MISCELLANOEUS

20.1 Casual Vacancies

Any casual vacancy occurring on the Executive Committee may be filled by a by-election from the region where the vacancy occurs in the same manner as set out in Rule 11 hereof and the person elected to fill such vacancy shall hold office until the next general election of Office Bearers.

20.2 Custody and Inspection of Books

All books, documents, seals and other records of the Water Directorate shall be kept in the custody of the Public Officer and shall be available for inspection by any Member Council at any reasonable time by arrangement with the Public Officer.

20.3 Execution of Instruments

No instrument shall be executed except by authority of the Executive Committee and by signatures of either two (2) members of the Executive Committee or one (1) member of the Executive Committee and the Public Officer.

20.4 Service of Notices

- (a) For the purpose of these Rules, a notice may be served on or given to a person:
 - (i) by delivering it to the person personally; or
 - (ii) by sending it by pre-paid post to the address of the person; or
 - (iii) by sending it by facsimile transmission or some other form of electronic transmission to an address specified by the person for giving or serving the notice.

- (b) for the purpose of these Rules, a notice is taken, unless the contrary is proved, to have been given or served:
 - (i) in the case of a notice given or served personally, on the date on which it is received by the addressee; and
 - (ii) in the case of a notice sent by pre-paid post, on the date when it would have been delivered in the ordinary course of post; and
 - (iii) in the case of a notice sent by facsimile transmission or some other form of electronic transmission, on the date it was sent, or if the machine from which the transmission was sent produces a report indicating that the notice was sent on a later date, on that date.

SCHEDULE 1: STANDING ORDERS FOR EXECUTIVE COMMITTEE MEETINGS

1. Apologies.
2. Confirmation of Minutes of last meeting.
3. Membership.
4. Financial Reports.
5. Matters arising from the Minutes and Sub Committee Reports.
6. Liaison Reports.
7. Guest Presentations.
8. Correspondence.
9. New Business/ Late Items.
10. Next Meeting.

APPENDIX 1: ELECTION OF OFFICE BEARERS**1. ELECTION OF EXECUTIVE COMMITTEE**

- 1.1 Subject to these Rules, Member Councils shall elect by Postal Ballot in accordance with Appendix 2, the members of the Executive Committee elected pursuant to Clause 11.1 (a), who together with the members of the Executive Committee appointed pursuant to Rule 11.1 (b) shall hold office for each term of 2 years, commencing on the date of the first meeting of the new Executive Committee term. The Postal Ballot shall be conducted by the Public Officer following the last meeting of each term of the Executive Committee and prior to the first meeting of the new term.
- 1.2 Nomination for Executive Committee shall so far as is practicable be in writing, from the General Managers of member councils and signed, and lodged with the Public Officer of the Water Directorate no later than the date determined by the Returning Officer.

2. ELECTION OF CHAIR

- 2.1 Subject to these Rules the members of the Executive Committee elected pursuant to Clause 1.1 of Appendix 1 shall elect by ordinary resolution, at the first Executive Committee meeting of the new term, the Chair of the Executive Committee for each term of 2 years who shall hold office commencing on the date of that meeting.

3. SUPPLEMENTARY RULES

- 3.1 All nominations for election as an Office Bearer shall be in writing on the form prescribed by the Executive Committee, signed by the nominee and lodged with the Public Officer at or before the time to be notified by the Public Officer.
- 3.2 If there are not more candidates than positions to be filled, those candidates shall be deemed elected.
- 3.3 Should there be more candidates than the number to be elected, a ballot by post shall be taken and the method of voting shall be, the "Standard Preferential System" as outlined in Appendix 3.
- 3.4 Subject to Rule 11.4, in the event of no nomination being received for any office, or in the event of insufficient nominations, such vacancies may be filled by the Executive Committee Members so elected for that term.
- 3.5 Any casual vacancy occurring in the membership of the Executive Committee may be filled at the determination of the Executive Committee but, only until the next election.

APPENDIX 2: POSTAL BALLOTS

1. Any proposal requiring a resolution of Executive Committee Members or Member Councils may be determined at the direction of the Executive Committee by a postal ballot and any resolution carried by postal ballot shall be as effective as if it had been carried at a duly constituted meeting of Executive Committee Members or Member Councils whichever the case may be.
2. Where a postal ballot is held the following shall apply:
 - a) A ballot paper shall be forwarded to every Executive Committee member or Member Council entitled to vote as provided in these Rules;
 - b) The Executive Committee shall cause to be sent with each ballot paper, a report setting out the reason for the proposal and may make a recommendation;
 - c) The closing date of the ballot shall be not less than one month from the date of posting the ballot papers and any report;
 - d) The Public Officer shall be the Returning Officer and he or she shall appoint two scrutineers;
 - e) The result of the postal ballot shall be placed before the Executive Committee at its first meeting following the closing of the ballot by the Returning Officer;
 - f) The postal ballot shall be determined by ordinary resolution unless these Rules provide otherwise;
 - g) A resolution by a postal ballot shall be effective from the date the result is laid before the Executive Committee.
3. All ballot papers and reports and Executive Committee Members' and Member Councils' completed ballot papers for any postal ballot may be served by any of the methods set out in Rule 20.4, including any form of electronic transmission, approved by the Executive Committee.

APPENDIX 3: STANDARD PREFERENTIAL SYSTEM

1. Election of one candidate

- 1.1 In this system, a voter is required to indicate a preference for each candidate on the ballot paper by using the numbers 1, 2, 3 etc. up to the number of candidates.
- 1.2 A candidate must poll an absolute majority (i.e. in excess of 50%) of all formal votes to be elected.
- 1.3 If, after all first preference votes have been counted, no candidate has obtained an absolute majority of all formal votes, then the candidate with the fewest number of first preference votes is excluded (first preference votes are the number 1s). That excluded candidates' second preference votes are then distributed to the remaining candidates.
- 1.4 If after that exclusion no candidate has obtained an absolute majority of formal votes, the next remaining candidate with the fewest votes is excluded and ALL of his/her votes (i.e. first preference votes PLUS those votes received from the first excluded candidate) are distributed to the remaining candidates.
- 1.5 The above process is continued until one candidate obtains an absolute majority of formal votes and is elected.
- 1.6 If at any exclusion, the next available preference is for a previously excluded candidate, then that preference is disregarded and the vote is distributed to the continuing candidate for whom the next available preference is shown.
- 1.7 This system of voting is used to elect a (single) member of the House of Representatives.

2. Election of more than one candidate

- 2.1 In this system the first successful candidate is elected in the manner outlined in the *Standard preferential* system: Election of one candidate. When the first candidate is elected all ballot papers are sorted back to first preference votes.
- 2.2 Then, all ballot papers containing a first preference vote for the **first** elected candidate are distributed to the remaining candidates according to the second preference vote on each of them. A candidate receiving an absolute majority of votes remaining is shown in the count as the second successful candidate.

- 2.3 If no candidate has then received an absolute majority the candidate with the fewest votes is excluded and his/her votes (first preference **and** those received from the previously elected candidate) are distributed to the next available preference among the remaining candidates. This process is continued until a candidate has obtained an absolute majority of votes remaining in the count. This candidate is the second elected.
- 2.4 After the first and second candidates have been elected all ballot papers are sorted back to first preference votes. The ballot papers containing the first preference votes of the two elected candidates are sorted to the next available preference and are distributed among the remaining non-elected candidates. A candidate receiving an absolute majority of votes remaining in the count shall be the third successful candidate.
- 2.5 If no candidate has then received an absolute majority, the candidate with the fewest votes is excluded and his/her votes (first preference and those received from the previously elected candidates) are distributed to the next available preference among the remaining candidates. This process is continued until a candidate has obtained an absolute majority of votes remaining in the count. This candidate is the third elected.
- 2.6 If there are more than three candidates to be elected, the above process is repeated until the required number of candidates has been elected.

APPENDIX 4: FORM OF APPOINTMENT OF PROXY

I,.....of
(full name) *(address)*

being a member of

hereby appoint of
(full name of proxy) *(address)*

being a member of the Water Directorate, as my proxy to vote for me on my behalf at the general meeting of the Water Directorate (annual general meeting or special general meeting, as the case may be) to be held on the

.....day of.....
(month and year)

and at any adjournment of that meeting.

* My proxy is authorised to vote in favour for/against (delete as appropriate) the resolution (insert details).

* to be inserted if desired.

.....
Signature of member appointing proxy

Date.....

NOTE:A proxy vote may not be given to a person who is not a member of the Water Directorate.