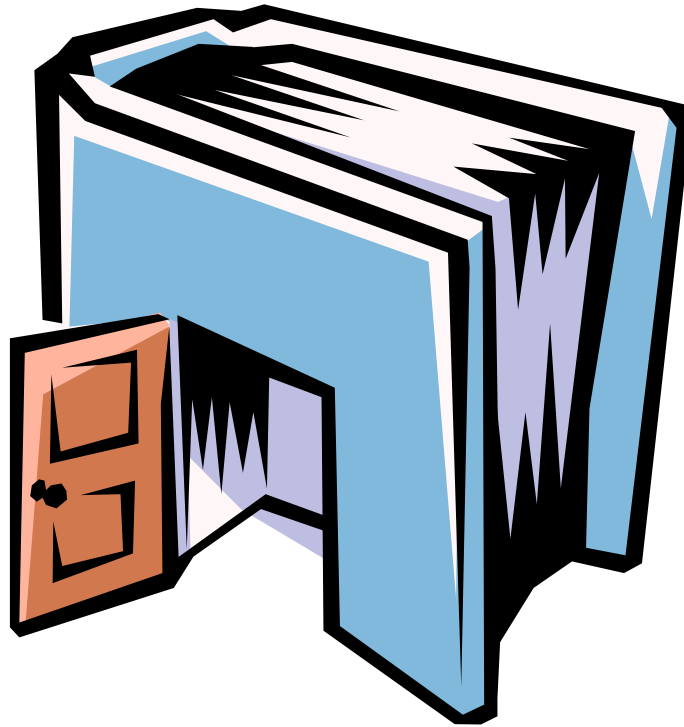


Establishing a Water Authority



What Is a Water Authority?

- A water authority is a “statutory body” whose main function is to carry out “water activities”
- It is a “body corporate” and has a “seal”
- Decisions are made through a board of directors or another person appointed to administer the water authority
- It can sue and be sued in its corporate name
- Although created by the State, it does not represent the State



What Is a Water Authority?

- Subject to powers given or constraints imposed by legislation, has all the powers of an individual
- People do not have to create a water authority if they wish to carry out “water activities”
- Proponents should investigate alternative options (e.g. company, cooperative, trust) before approaching the Department to request that a water authority be established



Establishment Process

- Develop establishment proposal and submit it to WIPA, NR&M
- Public notice of proposal (s.552)
- Submissions received and considered by chief executive of NR&M (s.553)
- Chief executive decides whether to establish the water authority



Establishment Process

- If the proposal is approved
 - Establishment regulation establishes the water authority and its area (if applicable) (s.548)
 - Gazette notice provides details about the water authority's board of directors (s.598)

Changes to the Proposal

- If the proposal is changed before the establishment regulation and gazette notice are made
 - Further notification is required (s.554)
 - Submissions can be made about the changed proposal (s.555)

The Establishment Proposal

- Needs to include certain information (required for the s.552 notice and to allow the chief executive to make a decision on whether to establish the water authority)
 - Name
 - Category 1 or category 2
 - The water activities proposed to be carried out
 - The works it is intended to acquire or build

The Establishment Proposal

- Information required (cont.)
 - The land it is intended to acquire
 - Proposed financing arrangements (including borrowings and projected water activities costs)
 - Number of directors
 - Whether it is intended to have an authority area

The Establishment Proposal

- If it is intended to have an authority area
- Identify the proposed area





The Establishment Proposal

- If it is intended to have an authority area, also need to consider how the directors of the water authority will be selected
 - Are the directors to be elected by the authority's ratepayers, or nominated?
 - If the directors are to be nominated, who will nominate them?



The Establishment Proposal

- If it is **not** intended to have an authority area, still need to consider how the directors of the water authority will be selected
 - The directors will not be elected - they must be nominated
 - Who will nominate the directors?

The Establishment Proposal

- Be aware that although NR&M may provide assistance with some establishment issues, it can also recover certain “establishment costs” (s.717)
 - Costs incurred by the State (NR&M)
 - Designing the works the authority proposes to build
 - Conducting site investigations
 - Publishing the s.552 notice

Changes to an Establishment Regulation

- Public notice of proposed amendment (s.556)
- Submissions received and considered by the chief executive of NR&M (s.557)
- Chief executive decides whether to amend establishment regulation
- If change is approved, amending regulation is made

Changes to Arrangements for the Authority's Board of Directors

- Public notice of proposed amendment (s.598A)
- Submissions received and considered by the chief executive of NR&M
- Chief executive decides whether to amend the arrangements for the board of directors
- If change is approved, amending gazette notice is made