

CAYMAN ISLANDS



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**A BILL FOR A LAW TO AMEND THE WATER AUTHORITY LAW  
(2018 REVISION) TO MAKE CERTAIN PROVISIONS CONSISTENT  
WITH THE PUBLIC AUTHORITIES LAW, 2017; AND FOR  
INCIDENTAL AND CONNECTED PURPOSES**

**THE WATER AUTHORITY (AMENDMENT) BILL, 2018**

**MEMORANDUM OF OBJECTS AND REASONS**

The Bill seeks to amend the Water Authority Law (2018 Revision) to make the Law consistent with the Public Authorities Law, 2017 (Law 21 of 2017).

Clause 1 seeks to provide for the short title and commencement of the legislation.

Clause 2 seeks to amend section 3 of the principal Law to increase the number of board members from a minimum of six to a minimum of eight persons and to limit the number of public officers to three. This makes the provision consistent with the requirements of section 9(6)(a) of the Public Authorities Law, 2017 which provides that a board shall not be comprised of more than forty percent public or civil servants.

Clause 3 seeks to amend section 4(1) of the principal Law to change the reference to “the Cabinet” to “the Board” thereby making the appointment of the Chief Executive Officer consistent with the Public Authorities Law, 2017.

Clause 4 seeks to amend the Schedule to the principal Law to, among other things, insert provisions related to the termination of the appointment of an appointed member. The provisions are consistent with section 11 of the Public Authorities Law, 2017 which provides for the term of appointment of board members.

Clause 5 seeks to provide that notwithstanding the commencement of the Public Authorities Law, 2017, the appointment of the Director is valid and continues.

Clause 6 provides that any acts, decisions or proceedings of the Board that were carried out prior to the commencement of this Law shall not be invalid because they were inconsistent with the Public Authorities Law, 2017.

**THE WATER AUTHORITY (AMENDMENT) BILL, 2018**

**ARRANGEMENT OF CLAUSES**

1. Short title and commencement
2. Amendment of section 3 - establishment and constitution of Water Authority
3. Amendment of section 4 - appointment of staff
4. Amendment of the Schedule- constitution and procedure of the Authority
5. Validity and continuation of appointments
6. Validity of acts

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**A BILL FOR A LAW TO AMEND THE WATER AUTHORITY LAW  
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ENACTED by the Legislature of the Cayman Islands.

Short title and  
commencement

1. (1) This Law may be cited as the Water Authority (Amendment) Law, 2018.

(2) This Law shall come into force on such date as may be appointed by Order made by the Cabinet.

Amendment of section 3  
- establishment and  
constitution of Water  
Authority

2. The Water Authority Law (2018 Revision), in this Law referred to as the “principal Law” is amended in section 3 as follows –

(a) by repealing subsection (2)(b) and substituting the following -

“(b) not less than eight and not more than ten other members appointed by the Cabinet for a period not exceeding two years, and three other public officers as defined in the Public Service Management Law (2018 Revision).”; and

(b) by inserting after subsection (2) the following subsections -

“(2A) The Director shall be one of the three public officers appointed under subsection (2).

(2B) The public officers under subsection (2) shall not be entitled to vote.”.

3. The principal Law is amended in section 4(1) by deleting the words “The Cabinet shall appoint a Director to be the Chief Executive Officer of the Authority” and substituting the words “The Board shall appoint the Director to be the Chief Executive Officer of the Authority after consultation with the responsible Minister or Official Member”.

Amendment of section 4  
- appointment of staff

4. The principal Law is amended in the Schedule as follows -

Amendment of the  
Schedule - constitution  
and procedure of the  
Authority

(a) in paragraph 4, by deleting the words “the Cabinet” wherever it appears and substituting the words “the relevant Minister or Official Member” in each instance.

(b) by deleting paragraph 5 and substituting the following -

“ 5. The Cabinet may terminate the appointment as a member of the Authority at any time if it is satisfied that -

- (a) the member is not fulfilling the mandate of the Authority set by Cabinet;
- (b) the member has, in the opinion of the Cabinet, an unacceptable conflict of interest;
- (c) the member’s conduct is detrimental to the effective governance of the Board;
- (d) the member has been absent from three consecutive meetings of the Board without the consent of the Chairman of the Board;
- (e) the member’s conduct brings the Authority into disrepute;
- (f) the member becomes bankrupt; or
- (g) the member is convicted of an offence for which the member is sentenced by a court to a term of imprisonment.”;

(c) by deleting paragraph 8 and substituting the following -

“ 8. The quorum of the Board shall be a simple majority of the board members who are entitled to vote.”; and

(d) by deleting paragraph 9 and substituting the following -

“ 9. The decisions of the Board shall be determined by a simple majority of those board members who are entitled to vote and who are present at the board meeting, except that in the case of an equality of votes at any meeting, the Chairman at that meeting shall have a second or casting vote.”.

*The Water Authority (Amendment) Bill, 2018*

Validity and  
continuation of  
appointments

5. Notwithstanding the commencement of the Public Authorities Law, 2017, the appointment of the Director under section 4(1) prior to the commencement of this Law shall be valid and shall continue.

Validity of acts

6. Any acts, decisions or proceedings of the Board that were carried out prior to the commencement of this Law shall not be invalid by reason only of those acts, decisions or proceedings being inconsistent with the Public Authorities Law, 2017.

Passed by the Legislative Assembly the            day of            , 2018.

Speaker.

Clerk of the Legislative Assembly.