

Operating Rules

v. 11 November 2013

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1. Introduction

1.1. Purpose

The purpose of the Fitzroy Partnership for River Health (the Partnership) is to develop and implement an integrated waterway monitoring program that will report publicly on waterway health at the catchment scale and support improved water resource management by all sectors. The scope of these activities includes shallow groundwater, rivers, off-stream wetlands and estuaries in the Fitzroy Basin and near-shore coastal and marine environments.

This document describes how the Partnership operates. It should be read in conjunction with the Memorandum of Understanding (MOU) provided in Appendix B and a Project Plan provided in Appendix C, which describes the annual work plan and deliverables for the Partnership.

1.2. Definition of the group

The Fitzroy Partnership for River Health is a group of sponsoring organisations who have entered into an agreement to form a body to accomplish the stated purpose. It is an association hosted by the Fitzroy Basin Association (FBA). Although not currently a legally recognised 'partnership', the Fitzroy Partnership may formally incorporate in the future. These operating rules are written to support this interim arrangement, while also laying the foundation for potential future arrangements.

2. Membership

2.1. Members

The members of the Partnership are listed in the MOU provided in Appendix B. This list will be updated as members join or leave the partnership.

2.2. Joining the Partnership

Membership of the Partnership is open to organisations with an interest in improving the health of the Fitzroy Basin's waterways. To become a member of the Partnership, an interested party must:

- Read, understand and sign the Partnership MOU
- Be approved by the Management Committee, and
- Pay a membership fee and contribute to project expenses

Organisations who become members must nominate an individual to be considered as their representative on the Partners' Network.

2.3. The Partners' Network

The Partners' Network is comprised of the individuals who are accepted as representatives of organisations who have become members of the Partnership. The Partners' Network shall meet at least twice per year to receive performance reports and contribute to forward planning. The Partners' Network elects the Management Committee.

Partners may also:

- Contribute data and information to Partnership assessments and reports
- Advise the Management Committee regarding the needs and expectations of their organisation/sector/industry, and
- Contribute to Working Groups

2.4. Membership classes

There will be three classes of membership:

- Partners
- Major Partners
- Associate Partners

Partners pay an annual membership fee and an additional financial contribution towards project costs. Major partners are those recognised as contributing more resources. Fees, additional contributions based upon waterway monitoring obligations and the level of contribution required to attain major partner status is negotiated, reviewed and approved by the Management Committee in conjunction with the development of annual project plans as provided in appendix C.

Associate partners are organisations who seek membership along with a fee reduction or waiver and where this request is accepted by the Management Committee. Associate partner have participation rights equivalent to other partners. Associate partner membership is reviewed annually by the Management Committee.

2.5. Leaving the Partnership

Partners may withdraw from the Partnership at any time by written notice to the Management Committee. No refund of membership funds is offered relevant to the membership year if a partner decides to withdraw from the Partnership

2.6. End of the Partnership

In the event of the Partnership winding up, with uncommitted funds or assets, the Management Committee (or in their absence, the Partners' Network) will determine disbursement.

2.7. Solvency

The Executive Officer will provide regular budget and cashflow projections to the Management Committee to support decision making about solvency of the Partnership. The Management Committee is responsible for managing solvency of the Partnership. A special Management Committee meeting will be called if forecast cash reserves allow for less than 3 months operation.

3. Operation

The Partners' Network elects a Management Committee that provides strategic oversight and direction to the Partnership. The Management Committee is supported by a Scientific Advisory Panel. The FBA is the host organisation.

3.1. The Management Committee

3.1.1. Membership

The Management Committee comprises at least 5 and up to 12 members, including the co-Chairs. The Management Committee is selected from the Partners' organisations represented by the Partners' network. The Partners' Network, when electing members to the Management Committee should endeavour to strike a reasonable/equitable balance between major and minor investors, extractive and primary industries, government organisations and other Partners' Network members. The host organisation (FBA) is a member of the Management Committee.

The membership of the Management Committee is reviewed every two years, or earlier if required. The Chair of the Scientific Advisory Panel is not a member of the Management Committee, but reports to it.

3.1.2. Role

The role of the Management Committee is to:

- Provide strategic oversight, guidance and direction to the activities of the Partnership
- Set membership fees
- Set membership qualifications
- Approve any reduction or waiving of membership fees
- Approve an annual project plan and budget
- Approve an annual communications plan
- Monitor and review risk, performance and budget for Partnership activities
- Approve the membership of the Scientific Advisory Panel
- Approve the public release of Partnership reports
- Receive advice from the Scientific Advisory Panel
- Report performance to the Partners' Network; and
- Engage the Partners' Network in key decisions

3.1.3. Remuneration

Management Committee members will not be remunerated for their time and associated travel costs.

3.1.4. Conflict of interest

Management Committee members must disclose material personal interests which may constitute any conflict of interest. Declaration of interests will be recorded in the Minutes of the meeting. Subsequent involvement in the matter concerned shall be at the discretion of the Management Committee.

3.1.5. Meetings

Meeting frequency

Unless otherwise agreed, the Management Committee will meet once per quarter.

Meeting notice

Notice of at least fifteen (15) working days must be given in advance of each Management Committee meeting.

Absences and alternates

Meetings require a quorum of five members. Management Committee members are expected to attend Management Committee meetings. If unable to attend a meeting, Management Committee members may propose alternate members or proxies, at the discretion of the co-Chairs.

- If a management committee member can't attend there is no obligation to provide a proxy given the large number on the management committee.
- Nomination of a proxy from the absentee committee member's organisation is encouraged
- If a quorum can't be met the co-chairs will invite members of the Partners network to act as a proxy on the management committee.

Decision-making processes

The Management Committee will make decisions by consensus. It is the responsibility of the co-Chairs to manage the decision-making processes.

Agenda

The co-Chairs, in consultation with the Management Committee members, will develop the agenda.

The agenda will generally include the following:

- Minutes of the previous meeting
- Report from FPRH Executive Officer on progress with Partnership activities
- Report from the Chair of Scientific Advisory Panel
- Any other general business

Papers

The FPRH Executive Officer is responsible for the circulation of Management Committee papers. Whenever possible, papers will be circulated at least five (5) working days prior to the meeting.

Minutes

Minutes will contain decisions made by the Management Committee. Minutes will also be distributed to the Partners' Network.

Working Groups

The Management Committee may establish Working Groups as it sees fit.

3.2. Chairing of the Management Committee

3.2.1. Selection

The Management Committee will be Co-Chaired by two members of the Partners' Network:

- An elected co-Chair chosen from nominees of the Partners' Network, and
- A Queensland Government co-Chair nominated by the Director-General of the Department of Natural Resources and Mines.

Chairing arrangements will be reviewed every two years, or earlier if required.

3.2.2. Role

The Co-Chairs will jointly

- Develop and manage the agenda and conduct the Management Committee meetings, and
- Facilitate contact between the Management Committee, the Partners' Network and the host organisation.

In addition, the Queensland Government co-Chair will have particular responsibilities to ensure effective communication with Queensland Government officers.

3.3. The Scientific Advisory Panel

3.3.1. Selection

The Scientific Advisory Panel will be skills-based comprising of 4 to 8 members, including expertise in the following areas:

- Fitzroy catchment resource management and water quality
- Water quality expertise for mining, agriculture, rural and urban sectors
- Freshwater and marine water biochemistry and toxicology
- Freshwater and marine aquatic ecology, and
- Data and information integration, analysis, synthesis, reporting and communication.

The Scientific Advisory Panel Chair and members shall be appointed by the Management Committee.

3.3.2. Role

The role of the Scientific Advisory Panel is to

- Provide independent, comprehensive, unbiased scientific and technical advice relevant to the development of the Partnership
- Guide, review and endorse the monitoring program design and the science behind reporting ready for the Management Committee to consider for approval and public release

Terms of reference for the Scientific Advisory Panel are provided in Appendix A.

3.3.3. Conflict of interest

Scientific Advisory Panel members must disclose material personal interests which may constitute any conflict of interest. Declaration of interests will be recorded in the Minutes of the meeting. Subsequent involvement in the matter concerned shall be at the discretion of the Chair, or the Executive Officer if the Chair has a potential conflict of Interest.

3.3.4. Meetings

The Scientific Advisory Panel will meet periodically as required by the Management Committee. At minimum, the Scientific Advisory Panel shall meet biannually. The Management Committee shall determine recompense for Panel member's time and travel expenses.

3.4. Fitzroy Basin Association as the host organisation

3.4.1. Role

The FBA is the host organisation for the FPRH. The role of the host organisation is to:

1. Administer membership revenue and project expenditure in accordance with normal accounting standards and requirements, including audit, acquittal and the normal financial liabilities associated with such a role.
2. As available membership fees dictate, work mutually with the co-Chairs to employ or contract an Executive Officer who is responsible for managing all operational arrangements of the Fitzroy Partnership and partnership staff as required.
3. Provide financial management, contract administration and management, communication and GIS and mapping services as agreed at the rates detailed in appendix C.
4. Hold a bank account in the Fitzroy Partnership name.

As the host organisation, the FBA must disclose and seek to resolve to the satisfaction of the Management Committee any material interests which may constitute any conflict of interest.

3.5. Intellectual Property

Title to and Intellectual Property Rights in all material created by the Fitzroy Partnership vests in the Fitzroy Partnership on its creation. Title to and Intellectual Property Rights in all material created by the host organisation vests in the host organisation on its creation. This agreement does not affect intellectual property rights in existing material.

3.6. Approvals and Amendments

The Operating Rules will be approved by the Management Committee. The Management Committee may amend the Operating Rules. Any partner can request amendment of the Operating Rules at any point with requested amendments being tabled, discussed and considered at the next scheduled Management Committee meeting following the request for amendment.

Appendix A Scientific Advisory Panel Terms of Reference

The role of the Scientific Advisory Panel is to provide independent, comprehensive, unbiased scientific and technical advice relevant to the development of the Fitzroy Partnership for River Health.

| | |
|-------------------------------------|---|
| Scientific review and advice | <ul style="list-style-type: none"> ➤ Provide independent scientific and technical advice to ensure that the science components of the Partnership activities: <ul style="list-style-type: none"> • have realistic, scientifically defensible, and achievable objectives • are being undertaken in a scientifically credible and cost-effective manner • have been designed, implemented and managed according to best scientific and environmental standards • will utilise contemporary, fit-for-purpose methods of data collection, quality assurance and statistical methodologies • establish processes to ensure integration of various monitoring and reporting activities implemented by the partnership, and • will communicate the findings in a timely and appropriate manner to both technical and non-technical audiences. ➤ Conduct periodic scientific review of Partnership activities including annual and other reports produced by the Partnership, and make specific recommendations about the direction, content and details of future activities; ➤ Provide advice on the possible inclusion of new and innovative methods to support monitoring and reporting activities; and ➤ Provide advice on knowledge gaps associated with the overall monitoring and reporting activities of the Partnership. |
| Research linkages | <ul style="list-style-type: none"> ➤ Identify and provide advice on opportunities for linkages to relevant research activities and delivery mechanisms, particularly in relation to innovative science relevant to the priority activities of the Partnership. |
| Science communication | <ul style="list-style-type: none"> ➤ Synthesise relevant scientific information into clear advice to meet the needs of the Partnership. |

Science Panel remuneration effective from 1st July 2014

| Item | Rate/Level |
|-----------------------|------------------------------------|
| Sitting Fee - Chair | Up to \$200 (h) as consultancy |
| Sitting Fee - Member | Up to \$150 (h) as consultancy |
| Transport | 75c/km - reimbursed |
| Flight - Chair | Economy with the option to upgrade |
| Flight - Member | Economy |
| Travelling Allowance | N/A |
| Local Travel | Actuals - reimbursed |
| Accommodation | Actuals - paid by secretariat |
| Meals and Incidentals | Actuals to \$150 - reimbursed |

Appendix B - Memorandum of Understanding Background

The Fitzroy Partnership for River Health (Partnership) formalises collaboration between governments, industry, community and research organisations with an interest in the health of the waterways of the Fitzroy Basin. This Memorandum of Understanding supports improved water resource management through the monitoring, assessment, reporting and communication of waterway health in the Fitzroy Basin.

Objectives

This Memorandum of Understanding sets out the arrangements agreed to support cooperation and collaboration between the parties to develop and implement an integrated waterway monitoring program that will report publicly on waterway health at the catchment scale and support improved water resource management by all sectors.

Scope

The scope of the Fitzroy Partnership for River Health encompasses all groundwaters, rivers, off-stream wetlands and estuaries in the Fitzroy Basin, and near-shore coastal and marine environments.

Roles and responsibilities

The parties to this Memorandum of Understanding undertake to:

- Actively participate and contribute to the structures and processes established by the Partnership
- Provide financial support through the payment of an annual membership fee (set by the Management Committee) and any additional financial contributions negotiated annually
- Collaboratively develop and implement monitoring, assessment, reporting and communication activities
- Review and amend these arrangements as necessary to support the achievement of the Partnership's objectives.

Principles

The Partnership adopts the following principles:

- Inclusiveness – the Partnership will provide opportunities for all major resource users, managers and monitoring agencies to participate in and influence Partnership decisions and actions
- Transparency and accountability – the Partnership's decision-making processes are clear, accessible and responsible
- Scientific rigor and independence – the Partnership's monitoring, assessment, reporting and communication activities are conducted in a scientifically rigorous manner
- Integration and alignment – the Partnership's activities seek to improve the efficiency and effectiveness of regional waterway monitoring and management programs through coordination and collaboration across scales and sectors
- Adaptation – the Partnership will seek to actively evaluate and adjust its activities in response to the outcomes achieved and new knowledge available.

- Capacity building – the Partnership seeks to improve the capacity of all water resource managers to reduce their impacts on regional waterways.

Authority / Limits to authority

This Memorandum of Understanding is a non-binding expression of the intentions of the parties to work collaboratively towards the achievement of the Partnership objectives. There is no legal or financial obligation incurred through participation in this Memorandum of Understanding. The parties maintain their individual discretion to act independently.

Commencement, review and period of the Partnership

This Memorandum of Understanding will commence on 1 July, 2011 and will continue while at least 3 partner organisations support its activities. It is the intention of the parties to consider formal incorporation within the first 3 years of the Partnership.

The Memorandum of Understanding may be amended at any time by written mutual consent of all parties. Any partner wishing to withdraw from the Partnership may do so by written notice to the other parties. Any additional party wishing to join the Partnership may do so by signed agreement to this document and payment of the annual membership fee or by agreement of the Management Committee.

Operation

The Partnership shall operate through the following structures:

| <i>Partners' Network</i> | |
|-------------------------------|--|
| Objective | Forum that includes all parties to the Memorandum of Understanding. The Partners' Network will nominate and endorse a Management Committee. Provides strategic feedback to the Management Committee. |
| Membership | Representatives of all parties to the Memorandum of Understanding |
| Operation | Meets periodically (at least biannually). Engages with the Secretariat on operational matters. May contribute to groups established by the Secretariat for specific activities e.g. communications. |
| <i>Management Committee</i> | |
| Objective | To provide strategic oversight and direction to the activities of the Partnership. |
| Membership | Members nominated and endorsed by the Partners' Network, from the Partners' Network. Membership to comprise the host agency, major investors and a balance between extractive and primary industries, governments and other agencies. Membership reviewed every 2 years. |
| Operation | Meets regularly (at least quarterly). Oversees the Secretariat. Engages the Partners' Network in strategic decisions. May contribute to groups established by the Secretariat for specific activities e.g. communications. |
| <i>Science Advisory Panel</i> | |
| Objective | To provide science advice and quality assurance relevant to the Partnership, to the Management Committee and Secretariat. |

| | |
|--------------------------|--|
| Membership | Skills-based membership |
| Operation | Chair and panel appointed by the Management Committee. Meets periodically as required by the Management Committee (at least biannually) |
| | |
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| | |
| <i>Secretariat</i> | |
| Objective | To provide operational support to the Partnership. |
| Membership | Staff employed or contracted by the host organisation to deliver services for the Partnership. |
| Operation | Supports and administers all the Partnership groups. Managed by the host organisation, overseen by the Management Committee. |
| <i>Host organisation</i> | |
| Objective | To provide an institutional host for the Partnership Secretariat and Partnership activities (financial and staff management). |
| Operation | To contribute to Partnership decisions as a member of the Management Committee. To operationalise Partnership activities through management of the Partnership secretariat. |

Membership

| | |
|---|----------------------------------|
| AgForce Queensland | Anglo American |
| Arrow Energy | BHP Billiton Mitsubishi Alliance |
| Central Highlands Regional Council | Central Queensland University |
| Cotton Australia | CQG Consulting |
| Idemitsu Resources | Fitzroy Basin Association |
| GBRMPA | Isaac Plains Coal Management |
| Jellinbah Group | New Hope Coal |
| Origin Energy | Peabody Energy Australia |
| Queensland Government (Department of Natural Resources and Mines) | Rio Tinto Coal Australia |
| Queensland Resources Council | Santos |
| Rockhampton Regional Council | Wesfarmers |
| Cockatoo Coal | Yancoal Australia |
| XstrataGlencore | |

Signed for and on behalf of

.....
(organisation)

this day of 20

by

.....
(full name)

.....
(signature)

.....
(position)

who is a duly authorised officer

in the presence of:

.....
(full print name of witness)

.....
(signature of witness)

Appendix C – Current Project Plan

Insert most current project plan here

Appendix D- Annual Scope of Works

Insert annual scope of works here