

No. M-4. An act relating to approval of the merger of the Wilmington Water District with the Town of Wilmington.

(H.443)

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. APPROVAL; MERGER OF THE WILMINGTON WATER

DISTRICT WITH THE TOWN OF WILMINGTON

The General Assembly approves the merger of the Wilmington Water District with the Town of Wilmington as set forth in this act. The voters of the Town of Wilmington and the Wilmington Water District approved the merger on November 3, 2020.

Sec. 2. PLAN OF MERGER

(a) As used in this section:

(1) "Town" means the Town of Wilmington.

(2) "District" means the Wilmington Water District.

(b) Merger of the District and Town. On June 30, 2021, the District and the Town shall merge into the Town of Wilmington. The District shall, except as provided in this act, cease to exist as a political entity or body corporate and its charter shall be revoked.

(c) Application of general law.

(1) All provisions of the Constitution and the general law of the State relating to towns and their officers shall apply to the Town.

(2) The Town shall have all the powers now or hereafter conferred upon towns and water districts by the Constitution and the general law of the State of Vermont.

(3) No grant of authority, power, or prerogative pursuant to this act shall be construed as being in derogation or limitation of any authority, power, or prerogative conferred by the general law upon the Town.

(d) Properties transferred and liabilities assumed. Upon the effective date of this act, all the lands, buildings, easements, funds, uncollected taxes, monies, and other tangible and intangible property of the District or Town shall become vested in and become the property of the Town. All liabilities, obligations, and indebtedness of the District shall be assumed by the Town without any further act, deed, or instrument being necessary. Indebtedness of the District assumed by the Town at the time of merger shall be secured by the full faith and credit of the Town with respect to the properties comprising the body corporate of the District.

(e) Properties held in trust. Any and all properties held in trust by the Board of Trustees of the District, or by any officer of the District, shall become vested in the Selectboard of the Town and its successors, or in the respective officer of the Town and that person's successor, as the case may be, and shall continue to be held in trust for the same users as before the merger, all without any further act, deed, or instrument being necessary.

(f) Settling the affairs of the District. Prior to the effective date of this act, the District shall settle so far as possible its financial affairs and shall, except as provided in this act, on the effective date turn over and deliver to the Administration of the Town all records, books, and documents of the District and to the proper officers of the said Town all property of the District, including a final audit of the District.

(g) Town manager system. The Town is and shall continue to be administered by a Town Manager, as provided in 24 V.S.A. chapter 37, until such time as that form of administration is revoked by vote of the Town as set forth in 24 V.S.A. §1242.

(h) Finances. The general fund of the District shall be held by the Town as a separate enterprise fund.

(i) Existing law, rules, and policies.

(1) Until lawfully amended or repealed, all rules, ordinances, regulations, and bylaws of the District in effect on the effective date of this act shall become and continue in full force and effect as rules, ordinances, regulations, and bylaws of the Town for the respective area presently involved, unless in conflict with rules, ordinances, regulations, and bylaws of the Town.

(2) Whenever power is granted by any rule, ordinance, regulation, or bylaw to an officer of the District, the power shall be conferred by this act upon the appropriate officer of the Town.

(j) Officers and election of consolidated Selectboard.

(1) The Town shall have the officers as provided for towns by general laws, except as provided by this act.

(2) Members of the Town Selectboard in office at the effective date of the merger shall continue in office until the end of their respective terms.

(3) District Trustees whose terms extend beyond the effective date of merger shall have their terms expire on the effective date of the merger.

(k) Water system. The water system shall be maintained separately from all other departments of the Town. All revenues from the water system that are not necessary for current expenditures shall be placed in a special fund, no part of which may be used for any purpose other than the operation of the water department as specified in subsection (l) of this section.

(l) Water administration.

(1) All water rates of the District or Town in effect on the effective date of this act shall continue in effect until changed by the Selectboard of the Town respectively. Operating costs of the water department shall be paid by the ratepayers.

(2) The charges and rates for water service shall be a lien upon real estate, wherever located, furnished with that service in the same manner and to the same effect as taxes are a lien upon real estate under 32 V.S.A. §5061. The owner of the property furnished with water service, wherever located, shall be liable for the charges and rates.

(3) All water charges shall be set by the Selectboard at rates sufficient to pay the costs of operating and maintaining the systems, to pay debt service on all existing and future debt obligations issued to improve or support the systems, and to fund necessary capital reserves, all as provided by the general law.

(4) The Selectboard shall serve as the water commissioners.

(m) Special funds. The Town Treasurer or Finance Director, or both, shall keep all revenues derived from the water systems, in accounts separate from any other special funds and from other town funds, and shall honor no warrant upon such account except for the purpose thereof as heretofore specified in subsection (l) of this section.

(n) Severability. If any provision of this act shall for any reason be held invalid, the invalidity shall not affect the remaining provisions that can be given effect without the invalid provision. To this end, the provisions of this act are severable.

Sec. 3. EFFECTIVE DATE

This act shall take effect on June 30, 2021.

Date Governor signed bill: June 3, 2021