

1 H.347

2 Introduced by Representatives Masland of Thetford, Adams of Hartland, Bohi
3 of Hartford, Cheney of Norwich, Clerkin of Hartford,
4 Copeland-Hanzas of Bradford, Davis of Washington, French of
5 Randolph, Haas of Rochester and Hooper of Montpelier

6 Referred to Committee on

7 Date:

8 Subject: Commerce and trade; telecommunications districts

9 Statement of purpose: This bill proposes to create the East Central Vermont
10 Telecommunications District.

11 An act relating to the creation of the East Central Vermont
12 Telecommunications District

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

14 Sec. 1. CREATION OF EAST CENTRAL VERMONT

15 TELECOMMUNICATIONS DISTRICT

16 The existence of a union municipal district known as the East Central
17 Vermont Telecommunications District, initially comprising the towns of
18 _____ , _____ , and the city of Montpelier heretofore
19 affiliated under subchapter 4 of chapter 121 of Title 24, is confirmed and
20 approved.

1 § 3. COMPOSITION

2 The district is composed of and includes all of the lands and residents
3 within those municipalities, identified in section 1 of this article, and such
4 other municipalities as are subsequently admitted to the district as herein
5 provided, except for those municipalities which may withdraw as herein
6 provided.

7 § 4. DURATION

8 The district shall continue as a body politic and corporate unless and until
9 dissolved according to the procedures herein set forth.

10 § 5. POWERS

11 In addition to the powers enumerated in section 4866 of Title 24, subject to
12 the limitations and restrictions set forth in section 7 of this article, the district
13 shall have the following powers:

14 (1) To operate, cause to be operated or contract or any combination of
15 these for the construction, ownership, management, financing, and operation of
16 any and all communications plants for the delivery of communications
17 services, as provided in chapter 54 of Title 24;

18 (2) To purchase, sell, lease, own, acquire, convey, mortgage, improve,
19 and use real and personal property in connection with the purpose of the
20 district;

1 (3) To hire and fix the compensation and terms of employment of
2 employees;

3 (4) To sue and be sued;

4 (5) To enter into contracts for any term or duration;

5 (6) To contract with architects, engineers, financial and legal
6 consultants, and others for professional services;

7 (7) To contract with individuals, corporations, associations, authorities,
8 and agencies for services;

9 (8) To provide communications service for the member municipalities,
10 the inhabitants thereof, and the businesses therein, and for such others as its
11 facilities and obligations may allow;

12 (9) To contract with the state of Vermont, the United States of America,
13 or any subdivision or agency thereof for services, assistance, and joint
14 ventures;

15 (10) To contract with any member municipality for the services of any
16 officers or employees of that municipality useful to it;

17 (11) To promote cooperative arrangements and coordinated action
18 among its member municipalities and other public and private entities;

19 (12) To make recommendations for review and action to its member
20 municipalities and other public agencies which perform functions within the
21 region in which its member municipalities are located;

1 (13) To exercise any other powers which are necessary or desirable for
2 dealing with telecommunications matters of mutual concern and which are
3 exercised or are capable of exercise by any of its member municipalities;

4 (14) To exercise the power of eminent domain in the manner provided
5 by general law for the taking of lands for public highway purposes;

6 (15) To borrow money, issue evidence of indebtedness, and enter into
7 financing agreements as provided by subdivision 4866(9) and chapter 53 of
8 Title 24, or other provisions of law authorizing general obligations, the
9 pledging of net revenue, or alternative means of financing capital
10 improvements and operations;

11 (16) To establish a budget to apportion the same and assess member
12 municipalities therefor;

13 (17) To appropriate and expend monies;

14 (18) To establish sinking funds for the retirement of the district's
15 obligations;

16 (19) To establish capital reserve funds and make appropriations thereto
17 for public improvements and the financing thereof;

18 (20) To enact and enforce any and all necessary or desirable regulations
19 for the orderly conduct of the government and for carrying out the purpose of
20 the district;

1 (21) To solicit, accept, and administer gifts, grants, and bequests in trust
2 or otherwise for the purpose of the district;

3 (22) To exercise all powers incident to a public corporation.

4 § 6. COMMUNICATIONS PLANTS

5 Each member municipality shall be responsible for providing one or more
6 sites for communications plants or components thereof within such member
7 municipality.

8 § 7. LIMITATIONS

9 (a) Notwithstanding any grant of authority herein, the district shall not
10 exercise any power, authority, or prerogative in contravention of any general
11 law restricting, limiting, or prescribing the direct or indirect use of any taxing
12 or assessment power to support or subsidize the ownership of operation of a
13 communications plant.

14 (b) Notwithstanding any grant of authority herein, the district shall not have
15 the power to levy, assess, apportion, or collect any tax upon property within
16 the district nor upon any of its constituent members without specific
17 authorization of the general assembly.

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ARTICLE II

GOVERNING BOARD

§ 21. AUTHORITY

The legislative power and authority of the district and the administration and the general supervision of all fiscal, prudential, and governmental affairs thereof shall be vested in a governing body known as the governing board, except as specifically provided otherwise in this agreement.

§ 22. COMPOSITION

The governing board shall be composed of one representative from each member municipality.

§ 23. APPOINTMENT

Annually on or before the last Monday in March commencing in the year following the effective date of this agreement, the legislative branch of each member municipality shall appoint its representative and one or more alternate members to the governing board. Appointments shall be in writing, signed by the chair of the legislative branch of the appointing municipality, and presented to the clerk of the district. The legislative branch, by majority vote, may remove its appointed representative or alternate at any time and shall promptly notify the clerk of the district of such removal.

1 § 24. ORGANIZATIONAL MEETING

2 Annually, on the second Tuesday in April following the appointments
3 contemplated in section 23 of this article, the governing board shall hold its
4 organizational meeting. At such meeting, the governing board shall elect from
5 among its membership a chair and a vice chair, each of whom shall hold office
6 for one year and until his or her successor is duly elected and qualified.

7 § 25. REGULAR MEETING

8 A schedule of regular meetings of the governing board shall be established
9 at the organizational meeting.

10 § 26. SPECIAL MEETINGS

11 Special meetings of the governing board may be called at any time by the
12 chair or shall be called by the clerk upon written request of a majority of the
13 members of the governing board. Except in cases of emergency, each member
14 of the governing board shall be given at least 24 hours' notice of any special
15 meeting of the governing board by notice in person, electronically, by
16 telephone, or by written notice delivered personally, mailed, or left at such
17 member's usual place of residence.

18 § 27. QUORUM

19 For the purpose of transacting business, the presence of more than 50
20 percent of the membership of the governing board shall constitute a quorum.
21 However, a smaller number may adjourn to another date. Any action adopted

1 by a majority of the votes cast at a meeting of the governing board at which a
2 quorum is present shall be the action of the governing board, except as
3 otherwise provided in this agreement.

4 § 28. VOTING

5 Each member of the governing board shall be entitled to cast one vote.

6 § 29. TERM

7 Unless removed in the manner provided in section 23 of this article, all
8 representatives to the governing board shall hold office for one year and until
9 their successors are duly appointed and qualified. Any representative or
10 alternate may be reappointed to successive terms without limit.

11 § 29a. VACANCY

12 Any vacancy on the governing board shall be filled within 30 days after
13 such vacancy occurs by appointment by the authority which appointed the
14 representative or alternate whose position has become vacant. An appointee to
15 a vacancy shall serve until the expiration of the term of the representative or
16 alternate to whose position the appointment was made and may thereafter be
17 reappointed.

18 § 29b. RULES OF PROCEDURES

19 Except as otherwise provided in this agreement by law or as may be agreed
20 upon by the governing board, Roberts Rules of Order shall govern at all
21 meetings.

1 § 29c. COMPENSATION OF MEMBERS OF GOVERNING BOARD

2 Each member municipality shall pay to its representatives to the governing
3 board such reimbursement of expenses as it shall determine reasonable.

4 ARTICLE III

5 OFFICERS

6 § 31. OFFICERS

7 The officers of the district shall be the chair and the vice chair of the
8 governing board, the clerk of the district, and the treasurer of the district.

9 § 32. BOND

10 Prior to assuming their offices, officers may be required to post bond in
11 such amounts as shall be determined by resolution of the governing board.

12 The cost of such bond shall be borne by the district.

13 § 33. CHAIR

14 The chair of the governing board shall be the chief executive officer of the
15 district. The chair shall preside at all meetings of the governing board and
16 shall make and sign all contracts on behalf of the district upon approval by the
17 governing board. The chair shall perform all of the duties incident to the
18 position and office.

19 § 34. VICE CHAIR

20 During the absence of or inability of the chair to render or perform his or
21 her duties or exercise his or her powers, the same shall be performed and

1 exercised by the vice chair, and when so acting, the vice chair shall have all the
2 powers and be subject to all the responsibilities hereby given to or imposed
3 upon the chair.

4 § 35. VACANCY

5 During the absence or inability of the vice chair to render or perform his or
6 her duties or exercise his or her powers, the governing board shall elect from
7 among its membership an acting vice chair who shall have the powers and be
8 subject to all the responsibilities hereby given or imposed upon the vice chair.

9 § 36. CLERK

10 The clerk of the district shall be appointed by the governing board, shall not
11 be a member of the governing board, and shall serve at its pleasure. The clerk
12 shall have the exclusive charge and custody of the public records of the district
13 and the seal of the district. The clerk shall record all votes and proceedings of
14 the district, including meetings of the district and meetings of the governing
15 board, and shall cause to be posted and published all warnings of meetings of
16 the district. The clerk shall prepare all warnings of meetings of the district.
17 Following approval by the governing board, the clerk shall cause the annual
18 report to be distributed to the legislative branches of its member municipalities.
19 The clerk shall prepare and distribute any other reports required by laws of the
20 state of Vermont and resolutions or regulations of the governing board. The

1 clerk shall perform all of the duties and functions incident to the office of
2 secretary or clerk of a body corporate.

3 § 37. TREASURER

4 The treasurer of the district shall be appointed by the governing board, shall
5 not be a member of the governing board, and shall serve at its pleasure. The
6 treasurer shall have the exclusive charge and custody of the funds of the
7 district and shall be the disbursing officer of the district. When authorized by
8 the governing board, the treasurer may sign, make, or endorse in the name of
9 the district all checks and orders for the payment of money and pay out and
10 disburse the same and the receipt therefor. The treasurer shall keep a record of
11 every note, bond, and obligation issued by the district and of every payment
12 thereon. The treasurer shall keep correct books of account of all the business
13 and transactions of the district and such other books and accounts as the
14 governing board may require. The treasurer shall render a statement of the
15 condition of the finances of the district at each regular meeting of the
16 governing board and at such other times as shall be required of the treasurer.
17 The treasurer shall prepare the annual financial statement and the budget of the
18 district for distribution, upon approval of the governing board, to the legislative
19 bodies of the member municipalities. The treasurer shall do and perform all of
20 the duties appertaining to the office of treasurer of a body politic and
21 corporate. The treasurer shall settle with the auditors within 60 days of the end

1 of the fiscal year, at such other times as the governing board may require, and
2 upon retirement from office. Upon retirement from office, the treasurer shall
3 immediately pay over to the successor all of the funds belonging to the district
4 and at the same time deliver to the successor all official books and papers.

5 § 38. RECORDS

6 The conduct of all meetings and public access thereto, and the maintaining
7 of all records, books, and accounts of the district shall be governed by the laws
8 of this state relating to open meetings and accessibility of public records.

9 § 39. AUDIT

10 The governing board shall cause an audit to be performed annually by an
11 independent professional accounting firm.

12 § 39a. EXECUTIVE BOARD

13 The governing board shall have the authority to establish an executive board
14 and grant and delegate to it such powers as it may deem necessary.

15 § 39b. COMMITTEES

16 The governing board shall have the authority to establish any and all
17 committees as it may deem necessary.

18 § 39c. COMPENSATION OF OFFICERS

19 Officers of the district shall be paid such compensation or reimbursement of
20 expenses or both as shall be determined by the governing board.

1 § 39d. RECALL OF OFFICERS

2 An officer may be removed by a two-thirds vote of the governing board
3 whenever, in their judgment, the best interest of the district will be served.

4 § 39e. TEMPORARY CONTINUATION IN OFFICE

5 The current governing board of East Central Vermont Community Fiber,
6 and the current officers thereof, shall remain in office until successors are
7 appointed in accordance with section 23 of Article II and an organizational
8 meeting is held under section 24 of Article II.

9 ARTICLE IV

10 FISCAL AFFAIRS

11 § 41. FISCAL YEAR

12 The fiscal year of the district shall commence on July 1 and end on June 30
13 of each year.

14 § 42. BUDGET APPROPRIATION AND ASSESSMENT

15 (a)(1) Proposed budget. Annually on or before the first day of December,
16 the governing board shall approve and cause to be distributed to the legislative
17 branch of each member municipality for review and comment an annual report
18 of its activities, including a financial statement, and a proposed budget of the
19 district for the next fiscal year. The proposed budget shall include reasonably
20 detailed estimates of:

21 (A) deficits or surpluses or both from prior fiscal years;

1 (B) anticipated expenditures for the administration of the district;

2 (C) anticipated expenditures for the operation and maintenance of

3 any district communications plants;

4 (D) costs of debt service;

5 (E) payments due on long-term contracts, leases, and financing

6 agreements;

7 (F) payments due to any sinking funds for the retirement of debt;

8 (G) payments due to any capital or financing reserve funds;

9 (H) anticipated revenues from sources other than assessments to

10 member municipalities;

11 (I) the necessary appropriations to operate and carry out the district's

12 functions and to meet the district's obligations for the next fiscal year;

13 (J) the proposed apportioned assessment to each member

14 municipality;

15 (K) such other estimates as the governing board shall deem necessary

16 to propose.

17 (2) The governing board shall hold a public hearing on or before the first

18 day of November of each year to receive comments from the legislative bodies

19 of member municipalities and hear all other interested persons regarding the

20 proposed budget. Notice of such hearing shall be the same as that specified

21 under section 53 of Article V of this agreement. The governing board shall

1 give consideration to all comments received and make such changes to the
2 proposed budget as it deems advisable.

3 (b) Budget adoption, appropriations, and assessment. Annually on or
4 before December 1, the governing board shall adopt the budget, appropriate the
5 sums which it deems necessary to meet its obligations and operate and carry
6 out the district's functions for the next ensuing fiscal year, assess each member
7 municipality for its proportionate share of the sums so appropriated, and adopt
8 a schedule designating when such assessments are due and payable by the
9 member municipalities.

10 (c) Apportionment of assessments. Assessments shall be apportioned
11 among the member municipalities on the basis of population based upon the
12 most recent decennial census. Each member municipality shall be assessed a
13 percentage of the sum appropriated equal to the ratio which its population
14 bears to the aggregate population within the district.

15 § 43. COLLECTION

16 Annually on or before the first day of March, the treasurer of the district
17 shall issue and present a warrant to the legislative branch of each member
18 municipality requiring that the amount of such apportioned assessment be paid
19 in accordance with the schedule of payments adopted by the governing board.
20 The legislative branch of each member municipality shall draw an order on the
21 municipal treasury for the amount of such assessment and the municipal

1 treasurer shall pay to the district treasurer the amount of such order in
2 accordance with the schedule for payments adopted by the governing board. If
3 any member municipality shall fail to pay when due any assessment against it
4 by the district, it shall incur the maximum penalty allowed by law. Such
5 penalty and interest, together with the amount due, court costs, and reasonable
6 attorney fees of the district may be recovered by the district in a civil action
7 under this section, notwithstanding the availability of any other remedy
8 available to the district.

9 § 44. LIMITATIONS OF APPROPRIATIONS

10 Actions or resolutions of the governing board for the annual appropriations
11 of any year shall not cease to be operative at the end of the fiscal year for
12 which they were adopted. Appropriations made by the governing board for the
13 various estimates of the budget as defined herein shall be expended only for
14 such estimates, but by majority vote of the governing board, the budget may be
15 amended from time to time to transfer funds between or among such estimates,
16 except as otherwise limited herein. Any balance left or unencumbered in any
17 such budget estimate or the amount of any deficit at the end of the fiscal year
18 shall be included in and paid out of the operating budget and appropriations in
19 the next fiscal year.

1 § 45. INDEBTEDNESS

2 (a) Short-term borrowing. The governing board may borrow money
3 through the issuance of notes of the district for the purpose of paying current
4 expenses of the district. Such notes must mature within one year, and may be
5 refunded in the manner provided by law. The governing board may borrow
6 money in anticipation of assessment to each member municipality in an
7 amount not to exceed 90 percent of the amount assessed for each year and may
8 issue notes of the district which must mature within one year. The governing
9 board may borrow money in anticipation of grants-in-aid from any source and
10 any revenues other than assessments through the issuance of notes of the
11 district. Such notes must mature within one year, but may be renewed as
12 provided by general law. The governing board may borrow money in
13 anticipation of bond proceeds which have been authorized as provided herein.
14 Said notes shall be issued and shall be payable as provided in subsection
15 4866(a) and chapter 53 of Title 24.

16 (b) Long-term indebtedness.

17 (1) Submission to voters. On a petition signed by at least ten percent of
18 the voters of the district, the proposition of incurring indebtedness or pledging
19 communications plant net revenues to pay for improvements or of authorizing
20 a long-term contract shall be submitted by the governing board to the qualified
21 voters thereof to be held for that purpose. In the alternative, when the

1 governing board, at a regular or special meeting of the governing board called
2 for such purpose shall determine by resolution passed by a vote of a majority
3 of members present and voting that the public interest or necessity demands
4 communications plant improvements or a long-term contract and that the cost
5 of the same will be too great to be paid out of the ordinary annual income and
6 revenue, it shall order the submission of the proposition of incurring
7 indebtedness, pledging communication plant net revenues or of authorizing a
8 long-term contract to the qualified voters of the district at a meeting to be held
9 for that purpose. A “long-term contract” means an agreement in which the
10 district incurs direct or conditional obligations for which the costs are too great
11 to be paid out of the ordinary annual income and revenues of the district, in the
12 judgment of the governing board. “Long-term contract” does not include
13 agreements for which periodic payments are subject to annual appropriation.
14 The term “communications plant improvements” shall include improvements
15 which may be used for the benefit of the public, whether or not publicly owned
16 or operated.

17 (2) Indebtedness, the pledge of communications plant net revenues, and
18 other obligations allowed by law, may be authorized for any purpose
19 permitted by chapters 53 and 54 of Title 24 or any other applicable statutes for
20 any purpose for which the district is organized. The governing board may not
21 submit to the voters more than twice in the same calendar year or any

1 twelve-month period the proposition of incurring indebtedness or pledging
2 communications plant net revenues to pay for the same or similar
3 improvements or of entering the same or similar communications plant
4 long-term contract.

5 (3) Warnings of meeting. The warning calling the special meeting of
6 the district to incur indebtedness, pledge communications plant net revenues,
7 or authorize a long-term contract shall state the object and purpose for which
8 the indebtedness, pledge, or long-term contract is proposed to be incurred or
9 authorized, the estimated cost of the improvements or service, the amount of
10 indebtedness and net revenue pledge proposed to be authorized, a summary of
11 the terms of any contract proposed to be authorized, and means of raising or
12 apportioning costs entailed thereby for debt service or payments under a long-
13 term contract. The warning shall fix the places where and the date on which
14 the meeting shall be held and the hours of opening and closing the polls. The
15 governing board, in cooperation with the board of civil authority of each
16 member municipality, shall determine the number and location of polling
17 places; provided, however, that there shall be at least one polling place in each
18 member municipality.

19 (4) Notice of meeting. The clerk of the district shall cause notice of
20 such special meeting to be published in a newspaper of known circulation in
21 the district once a week for three consecutive weeks on the same day of the

1 week, the last publication to be not less than five nor more than ten days before
2 such meeting. Notice of such meeting shall also be posted in at least five
3 public places within each member municipality at least 30 and not more than
4 40 days before the meeting and be filed with the clerk of each member
5 municipality and the clerk of the district prior to posting.

6 (5) Authorization. When a majority of all the voters present and voting
7 on the question from all the member municipalities at such special meeting
8 vote to authorize the incurring of indebtedness, pledge of revenue, or to
9 authorize a long-term contract, the district shall be authorized to issue the
10 authorized indebtedness and pledge communications plant net revenue as
11 provided in section 4866(9) and chapter 53 of Title 24 or other applicable
12 statutes or to enter into the long-term contract. The ballots cast in each
13 member municipality shall be commingled and counted by members of the
14 governing board together with the town or city clerk from each member
15 municipality or the clerk's designee. Matters relating to the use of Australian
16 ballot, qualifications and registration of voters, conduct of meetings,
17 reconsideration or recession of vote, and validation of district meetings shall be
18 controlled by the provisions of the several law.

19 (6) Assessment. Only to the extent permitted by law, the cost of debt
20 service or of payments under a long-term contract shall be included in the
21 annual budget of the district, and shall be allocated among the member

1 municipalities as provided in subsection 42(c) of this article, unless otherwise
2 provided by applicable law and in the vote authorizing the same. The
3 applicable provision of chapter 53 of Title 24 or other enabling law under
4 which debt is incurred or long-term contracts authorized shall apply to the
5 issuance of evidence of indebtedness, the pledge of communications plant net
6 revenues, and long-term contracts. The district shall be deemed a “municipal
7 corporation,” the governing board shall be deemed a “legislative branch,” and
8 the district treasurer shall be deemed a “municipal treasurer” within the
9 purview of chapter 53 of Title 24. Evidences of indebtedness, pledges of net
10 revenues, and long-term contracts shall be signed by the treasurer and chair of
11 the governing board.

12 (c) Joint and several liability. Other than short-term temporary general
13 obligation indebtedness incurred to meet current operating expenses of the
14 district and for deposits into capital reserve funds created by section 47 of this
15 article, no joint and several general obligations of the district and its member
16 municipalities shall be incurred except as provided in subsection (b) of this
17 section.

18 § 46. SINKING AND RESERVE FUND

19 The governing board may establish and provide for sinking and reserve
20 funds, however denominated, for the retirement of indebtedness and pledges of
21 communications plant net revenue or to provide security for the payment

1 thereof or for long-term contracts. When so established, such funds shall be
2 kept intact and separate from other monies at the disposal of the district and
3 shall be accounted for as a pledged asset for the purpose of retiring or securing
4 such obligations or contracts. The cost of payments to any sinking or reserve
5 fund shall be included in the annual budget of the district.

6 § 47. CAPITAL RESERVE FUND

7 The governing board shall establish and provide for a capital reserve fund to
8 pay for communications plant improvements, replacement of worn out
9 buildings and equipment, and planned and unplanned major repairs in
10 furtherance of the purpose for which the district was created. Any such capital
11 reserve fund shall be kept in a separate account and invested as are other public
12 funds and shall be expended for such purposes for which established. The cost
13 of payments to any capital reserve fund shall be included in the annual budget
14 of the district.

15 § 48. SERVICE FEES

16 The governing board may from time to time establish and adjust service,
17 subscription, access, and utility fees for the purpose of generating revenues
18 from sources other than assessments to member municipalities.

19 § 49. LIMITATIONS

20 The limitations and restrictions set out in section 7 of Article I shall apply to
21 the exercise of any power, authority, or prerogative contained in this article.

1 § 53. PUBLIC HEARINGS

2 Not less than three nor more than 14 days prior to any special meeting
3 called under section 51 of this article, at least one public hearing shall be held
4 by the governing board at which time the issues under consideration shall be
5 presented and comments received. Notice of such public hearing shall include
6 the publication of a warning in a newspaper of general circulation in the
7 district at least once a week, on the same day of the week, for three consecutive
8 weeks, the last publication not less than five nor more than ten days before the
9 public hearing. Such notice may be included in the warning called for in
10 subdivision 45(b)(3) of Article IV and in section 54 of this article.

11 § 54. WARNINGS REQUIRED

12 The governing board of the district shall warn a special meeting of the
13 district by filing a notice with the clerk of each member municipality and by
14 posting a notice in at least five public places in each municipality in the district
15 not less than 30 nor more than 40 days before the meeting. In addition, the
16 warning shall be published in a newspaper of general circulation in the district
17 once a week on the same day of the week for three consecutive weeks before
18 the meeting, the last publication to be not less than five nor more than ten days
19 before the meeting.

1 § 55. SIGNING OF WARNING

2 The original warning of any special meeting of the district called under
3 section 51 of this article shall be signed by a number of the governing board
4 equal to a majority of the total votes entitled to be cast and shall be filed with
5 the district clerk before being posted.

6 § 56. WARNING CONTENTS

7 The posted notification shall include the date, time, place, and nature of the
8 meeting. It shall, by separate articles, specifically indicate the business to be
9 transacted and the questions to be voted upon.

10 § 57. AUSTRALIAN BALLOT

11 The Australian ballot system shall be used at all special meetings of the
12 district when voting is to take place.

13 § 58. QUALIFICATIONS AND REGISTRATION OF VOTERS

14 All legal voters of the member municipalities shall be legal voters of the
15 district. The member municipalities shall post and revise checklists in the
16 same manner as for municipal meetings prior to any district meeting at which
17 there will be voting.

18 § 59. CONDUCT OF MEETINGS

19 At all special meetings of the district, the provisions of chapter 51 of Title
20 17 regarding election officials, voting machines, polling places, absentee
21 voting, process of voting, count and return of votes, validation, recounts and

1 contest of elections, reconsideration of rescission of vote, and jurisdiction of
2 courts shall apply except where clearly inapplicable. The district clerk shall
3 perform the functions assigned to the secretary of state under that chapter. The
4 Windsor superior court shall have jurisdiction over petitions for recounts.
5 Election expenses shall be borne by the district.

6 ARTICLE VI

7 MISCELLANEOUS

8 § 61. WITHDRAWAL OF MEMBER MUNICIPALITY

9 A member municipality may withdraw from the district upon the terms and
10 conditions specified below:

11 (1) Prior to the district incurring indebtedness, pledging
12 communications plant net revenues, or entering into a long-term contract or a
13 contract subject to annual appropriation, a member municipality may vote to
14 withdraw in the same manner as the vote for adoption of the agreement by
15 such member municipality. If a majority of the voters of a member
16 municipality present and voting at a meeting duly warned for such purpose
17 votes to withdraw from the district, the vote shall be certified by the clerk of
18 that municipality and presented to the governing board. Thereafter, the board
19 shall give notice to the remaining member municipalities of the vote to
20 withdraw and shall hold a meeting to determine if it is in the best interest of the
21 district to continue to exist. Representatives of the member municipalities

1 shall be given an opportunity to be heard at such meeting together with any
2 other interested persons. After such a meeting the governing board may
3 declare the district dissolved immediately or as soon thereafter as the financial
4 obligations of the district and of each member municipality on account thereof
5 have been satisfied, or it may declare that the district shall continue to exist
6 despite the withdrawal of such member municipality. The membership of the
7 withdrawing municipality shall terminate as soon after such vote to withdraw
8 as the financial obligations of said withdrawing municipality have been paid to
9 the district.

10 (2) After the district has incurred indebtedness, pledged communications
11 plant net revenues, or entered into a long-term contract or a contract subject to
12 annual appropriations, a member municipality may vote to withdraw in the
13 same manner as the vote for adoption of the agreement by such member
14 municipality. It shall be a condition that the withdrawing municipality shall
15 enter into a written agreement with the district whereby such withdrawing
16 municipality shall be obligated to continue to pay its share of debt, pledge, and
17 contract obligations incurred by the district for the remaining term of the
18 indebtedness or contract term.

19 (3) Notwithstanding the foregoing, a municipality, at a duly warned
20 meeting thereof, may vote to withdraw from the district within six months of
21 the effective date of this act.

1 § 62. ADMISSION OF NEW MEMBER MUNICIPALITIES

2 The governing board may authorize the inclusion of additional member
3 municipalities in the district upon such terms and conditions as it in its sole
4 discretion shall deem to be fair, reasonable, and in the best interests of the
5 district. The legislative branch of any nonmember municipality which desires
6 to be admitted to the district shall make application for admission to the
7 governing board of the district. The governing board shall determine the
8 financial, economic, governance, and operational effects which are likely to
9 occur if such municipality is admitted and shall thereafter either grant or deny
10 authority for admission of the petitioning municipality. If the governing board
11 grants such authority, it shall also specify any terms and conditions, including
12 but not limited to financial obligations, upon which such admission is
13 predicated. The petitioning municipality shall thereafter comply with the
14 approval procedures specified in chapter 121 of Title 24. If a majority of the
15 voters of the petitioning municipality present and voting at a meeting of such
16 municipality duly warned for such purpose shall vote to approve the agreement
17 and the terms and conditions for admission, the vote shall be certified by the
18 clerk of that municipality to the governing board. Thereafter, upon satisfactory
19 performance of the terms and conditions of admission, said municipality shall
20 by resolution of the governing board become and thereafter be a member
21 municipality of the district.

1 § 63. DISSOLUTION OF DISTRICT

2 (a) Procedure. If the governing board by resolution approved by two-thirds
3 of all the votes entitled to be cast determines that it is in the best interests of the
4 public, the member municipalities, and the district that the district be
5 dissolved, and if the district then has no outstanding debt or obligations under
6 pledges of communications plant net revenue, long-term contracts, or contracts
7 subject to annual appropriation or will have no such debt or obligation upon
8 completion of the plan of dissolution, it shall prepare a plan of dissolution and
9 thereafter adopt a resolution directing that the question of such dissolution and
10 the plan of dissolution be submitted to the voters of the district at a special
11 meeting of the district duly warned for such purpose. If a majority of the
12 voters of the district present and voting at such special meeting of the district
13 duly warned for such purpose shall vote to dissolve the district and approve the
14 plan of dissolution, the district shall cease to conduct its affairs except insofar
15 as may be necessary for the winding up thereof. The governing board shall
16 immediately cause a notice of the proposed dissolution to be mailed to each
17 known creditor of the district and to the Vermont secretary of state and shall
18 proceed to collect the assets of the district and apply and distribute them in
19 accordance with the plan of dissolution.

20 (b) Plan of dissolution. The plan of dissolution shall:

21 (1) Identify and value all unencumbered assets of the district;

1 (2) Identify and value all encumbered assets of the district;

2 (3) Identify all creditors of the district and the nature or amount of all
3 liabilities and obligations of the district;

4 (4) Identify all obligations under long-term contracts and contracts
5 subject to annual appropriation;

6 (5) Specify the means by which assets of the district shall be liquidated
7 and all liabilities and obligations of the district shall be paid and discharged, or
8 adequate provision shall be made for the satisfaction thereof;

9 (6) Specify the amount of monies due from each member municipality,
10 if necessary, to extinguish the liabilities of the district;

11 (7) Specify the nature and amount of any liabilities or obligations to be
12 assumed and paid by the member municipalities;

13 (8) Specify the means by which any assets remaining after discharge of
14 all liabilities shall be liquidated if necessary;

15 (9) Specify that any assets remaining after payment of all liabilities shall
16 be apportioned and distributed among the member municipalities according to
17 the same basic formula used in apportioning the annual assessments of the
18 district.

19 (c) Termination. When the plan of dissolution has been implemented,
20 the governing board shall adopt a resolution certifying that fact to the member
21 municipalities whereupon this agreement and the district created hereby shall

1 be terminated, and notice thereof shall be delivered to the secretary of the
2 senate and the clerk of the house of representatives in anticipation of
3 confirmation of dissolution by the general assembly.

4 § 64. AMENDMENT OF THE DISTRICT AGREEMENT

5 The district agreement may be amended by petition of ten percent of the
6 voters of the district under Article V of this agreement or by the governing
7 board under this section. The governing board at any regular or special
8 meeting thereof may, by a majority vote, adopt a resolution stating its intent to
9 amend the agreement. A written copy of the resolution, stating the wording
10 and purpose of the amendment and the date of the meeting scheduled to act on
11 the amendment, shall be delivered to the legislative branches of each member
12 municipality and mailed or left at the usual place of residence of each member
13 of the governing board by the clerk of the district at least 10 business days
14 prior to the meeting scheduled to adopt the amendment. The amendment may
15 be adopted by majority vote of the governing board at the meeting scheduled to
16 act on the amendment unless a majority of the legislative branches of the
17 member municipalities request in writing that the governing board hold a
18 special district meeting to vote on the amendment. If the amendment is
19 adopted by the governing board or by the voters of the district, the clerk of the
20 district, within 10 days after the vote of adoption, shall certify to the secretary
21 of state each proposal of amendment showing the facts as to its origin and the

1 procedure followed. The secretary of state shall then proceed as with
2 municipal charter amendments under section 2645 of Title 17. The
3 amendment shall become effective upon affirmative enactment of the proposal,
4 either as proposed or as amended by the general assembly. This agreement
5 may be amended from time to time in the manner herein provided, but no such
6 amendment shall be made which shall substantially impair the rights of the
7 holders of any bonds or other notes or other evidence of indebtedness or
8 substantially affect any obligations under long-term contracts or contracts
9 subject to annual appropriation of the district then outstanding or in effect or
10 the rights of the district to procure the means for payment, continuation, or
11 termination thereof.

12 § 65. SEVERABILITY

13 Should any court of competent jurisdiction judge any term, phrase, clause,
14 sentence or provision of this agreement to be invalid, illegal, or unenforceable
15 in any respect, such judgment shall not affect the validity, legality, or
16 enforceability of the agreement as a whole or any other part of this agreement.

17 Sec. 3. CONSISTENCY WITH STATE LAW

18 By ratifying this agreement, the general assembly does not intend to ratify
19 or authorize actions or procedures which otherwise would be inconsistent with
20 state law, as state law may be amended from time to time.

1 Sec. 4. DATE OF ESTABLISHMENT

2 For all purposes, the date of establishment of the district and the date the
3 district became a body politic and corporate shall be deemed to be the date
4 upon which this act becomes effective.

5 Sec. 5. EFFECTIVE DATE

6 This act shall become effective upon passage.