

OPERATING AGREEMENT

THIS AGREEMENT is entered into under authority of 24 VSA 3305, 4901-4902, 24 VSA Ch. 91, and No. 135 of the Acts of 1971, as amended, by and between CHAMPLAIN WATER DISTRICT, a body politic and corporate, with its situs in the County of Chittenden, and State of Vermont (herein "CWD"), and COLCHESTER FIRE DISTRICT NO. 1, a municipal corporation with its situs in the Town of Colchester, County of Chittenden, and State of Vermont (herein "Fire District").

IN CONSIDERATION OF ONE DOLLAR AND OTHER GOOD AND VALUABLE CONSIDERATION, payment, receipt and sufficiency of which is hereby mutually acknowledged, and in consideration of the several representations, undertakings, covenants and inducements set forth herein, CWD and the Fire District mutually and severally agree as follows:

- (1) Effective January 1, 2021, the Fire District shall transfer, convey and assign to CWD all of its tangible and intangible assets, in return for which CWD shall assume all of the Fire District's fixed, inchoate and contingent liabilities.
- (2) Prior to January 1, 2021, the Fire District shall prepare and deliver to CWD a description of its public water supply, transmission, distribution and storage system, establishing the location of all lines, mains, fittings and appurtenances, and including an inventory of all personal property, permits, licenses, easements, fixtures, storage reserves and entitlement, contracts and accounts related to such system.
- (3) CWD shall have the right to enter upon the property of the Fire District in order to inspect the assets being acquired, ascertain the liabilities being assumed, and to otherwise conduct its due diligence.
- (4) On and after January 1, 2021, the Fire District public water supply system shall be integrated into and operated as a component of the CWD system.
- (5) The parties shall cooperate in arranging for all Fire District governmental licenses, approvals and permits to be transferred and integrated into CWD effective July 1, 2020.
- (6) Prior to January 1, 2021, the Fire District shall continue its normal operating activity, and shall not incur any liability other than in the normal course of business.
- (7) Prior to January 1, 2021, the Fire District shall institute a rate increase at an amount mutually agreed upon with CWD.
- (8) On and after January 1, 2021, CWD shall succeed to the Fire District's oversight of unallocated sewage treatment and disposal capacity appurtenant to the City of South Burlington wastewater treatment facility under the terms of the Contract for Sewage Disposal Between the City of South Burlington and the Town of Colchester dated June 5, 1991. Such capacity shall be treated by CWD as dedicated to the geographical area presently constituting the Fire District and not owned or managed by CWD.
- (9) CWD shall continue to recognize property within the Fire District's existing boundaries as a water system service area.
- (10) Recording this Operating Agreement, or a certified copy thereof, in the Land Records of the Town of Colchester shall serve to ratify and confirm the transfer of all of the Fire District's real estate and personal property to CWD, effective January 1, 2021.
- (11) Upon consummation of the several transactions provided for herein, the Fire District, with the assistance and cooperation of CWD, may initiate such action as may be necessary to effect its dissolution.

IN WITNESS WHEREOF, the parties have caused these presents to be executed, acknowledged and delivered by their respective duly authorized officers as of the 29th day of October, 2020.

IN THE PRESENCE OF:

Jerry E. Flanagan
Witness

COLCHESTER FIRE DISTRICT NO. 1

By: Joseph McLaughlin
Chair, Prudential Committee

STATE OF VERMONT
COUNTY OF CHITTENDEN, ss

At the Town of Colchester, this 29th day of October, 2020 personally appeared
Fr. Joseph McLaughlin, Chair of the Prudential Committee of Colchester Fire District No. 1, and he
acknowledged the foregoing instrument, by him subscribed, to be his free act and deed and the free act
and deed of Colchester Fire District No. 1.

Before me, _____

Notary Public
Commission Expires Jan. 31, 2021

IN THE PRESENCE OF:

Witness

CHAMPLAIN WATER DISTRICT

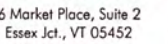
By: Robert Stand
Chair, Board of Commissioners

STATE OF VERMONT
COUNTY OF CHITTENDEN, ss

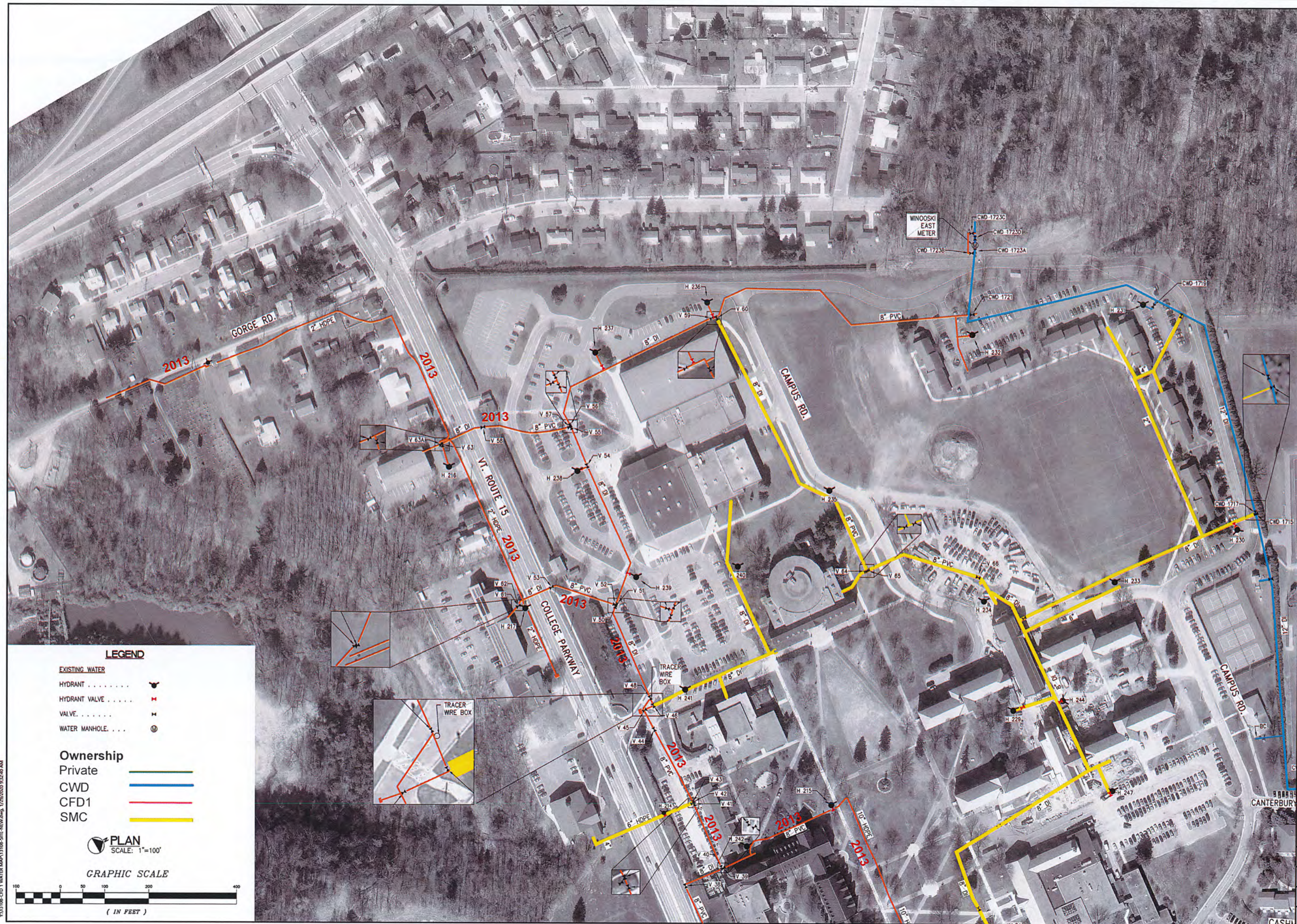
At the City of South Burlington, this 20th day of October, 2020 personally appeared
Robert Stand, Chair of the Board of Commissioners of Champlain Water District, and he
acknowledged the foregoing instrument, by him subscribed, to be his free act and deed, and the free act
and deed of Champlain Water District.

Before me, _____

Tony A. Bessette
Notary Public
Commission Expires Jan. 31, 2021



P: 802.879.7733
AEengineers.com

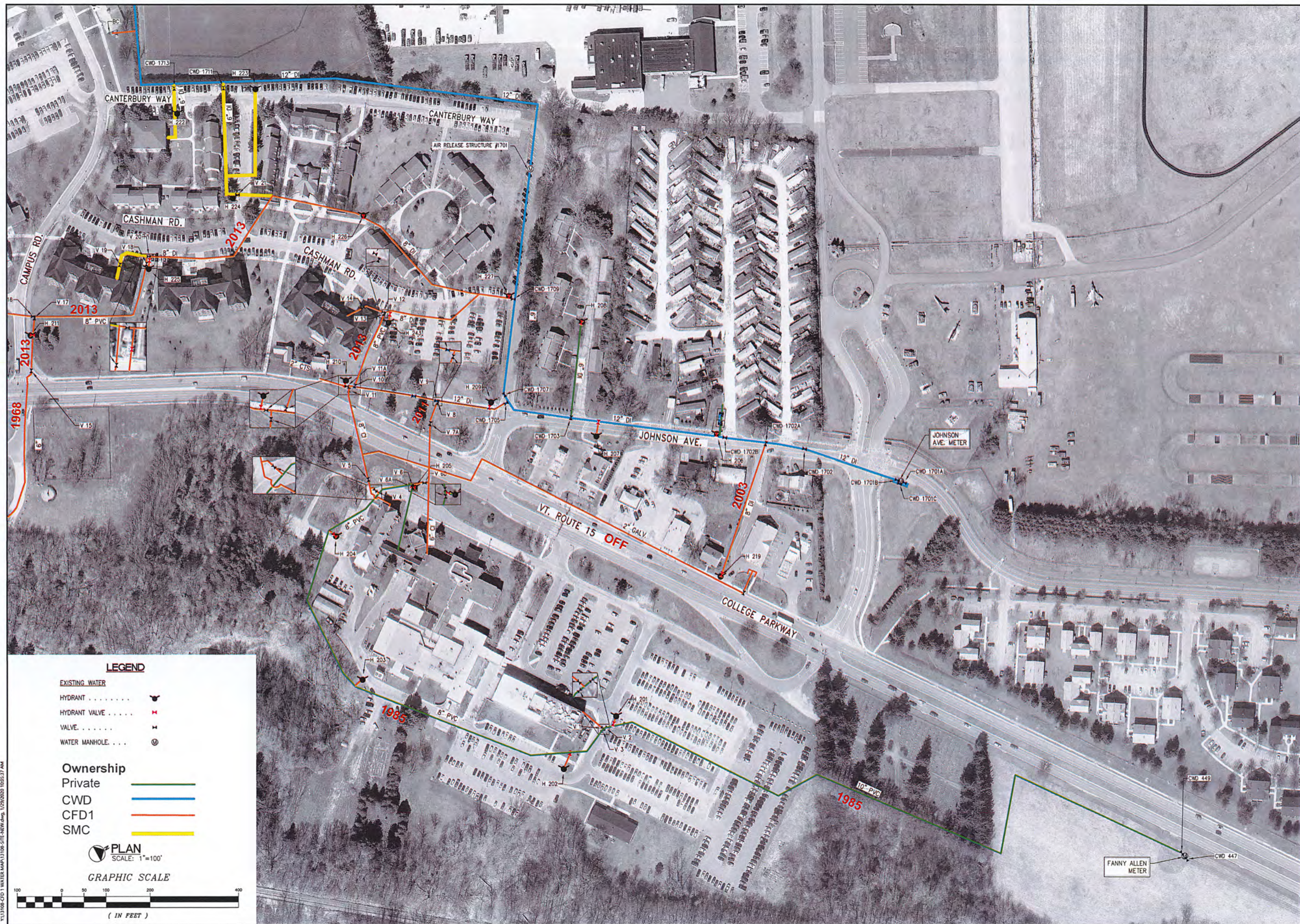
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COLCHESTER
FIRE DISTRICT No. 1
COLCHESTER, VERMONT

WSID 5058

WATER SYSTEM MAP

DESIGNED NAP	PROJECT NO. 13108
DRAWN JEB	
CHECKED JJD	1
DATE JAN. 2020	



LEGEND

- EXISTING WATER**
- HYDRANT
 - HYDRANT VALVE
 - VALVE
 - WATER MANHOLE
- Ownership**
- Private
 - CWD
 - CFD1
 - SMC

PLAN
SCALE: 1"=100'

GRAPHIC SCALE



CHECKED	
DESCRIPTION	
DATE	
No.	
COLCHESTER FIRE DISTRICT No. 1 COLCHESTER, VERMONT	
WSID 5058	
WATER SYSTEM MAP	
DESIGNED NAP	PROJECT NO. 13108
DRAWN JEB	3
CHECKED JJD	
DATE JAN. 2020	