



CHAMPLAIN WATER DISTRICT
Dedicated to Quality Water & Service



First In The Nation ~ Excellence In Water Treatment, Partnership For Safe Water

February 28, 2022

Representative Curt Taylor
436 Sunderland Woods
Colchester, VT 05446

RE: Colchester Fire District No. 1 Dissolution Letter of Support

Dear Representative Taylor:

On October 19, 2020 the Champlain Water District (CWD) executed an operating agreement with the Colchester Fire District (CFD) No. 1 for the transfer of property, assets, and liabilities from the Fire District to CWD. The property included all water system piping and infrastructure (i.e., hydrants, valves, meters, etc.). The assets included cash and deposits. The liabilities included two existing bond bank loans.

On January 1, 2021 the transfer became effective and CWD has owned and operated the CFD No. 1 water system since that date. Subsequent to executing the Agreement but prior to the transfer of assets on January 1, 2021, CWD learned of a \$100,000 donation by the Fire District from the Total Cash Deposits to the Saint Michael's Fire & Rescue Department ("SMFRD"). CWD did not see this donation as being part of the normal course of business identified in the operating agreement. Upon discussing CWD's concern with the Fire District, both parties settled that SMFRD would retain \$25,000 of the donation and \$75,000 would be disbursed to CWD. The disbursement to CWD occurred in May 2021 to our satisfaction.

As the owner of the CFD No. 1 water system (WSID #5058) CWD will continue to operate the system and provide safe, high quality drinking water to the customers within the system. The CFD No. 1 political body has no role in the CFD No. 1 water system. With that, CWD supports the dissolution of CFD No. 1 as a political entity or body corporate.

Please don't hesitate to contact me with any questions on my cell phone at 802-233-6909.

Sincerely,
CHAMPLAIN WATER DISTRICT

Joseph J. Duncan, PE
General Manager