

Testimony by Rep. Curt Taylor (Colchester CHI-20) regarding H.46

I thank the Committee on Government Operations for this opportunity to provide testify regarding H.46. I appreciate your taking this up so quickly in the biennium, enabling me to assist the Colchester Selectboard in their consolidation plans.

The purpose of H.46 is to validate the dissolution of Colchester Fire District No. 3 (CFD#3). This is part of a Colchester Selectboard plan to consolidate the provision of fire protection and drinking water services. Because CFD#3 is recognized as a municipality its political and corporate dissolution requires validation by the State. Last session Colchester Fire District No. 1 dissolution was similarly validated.

Fire Protection Services

On July 1, 2020, CFD#3 paid off its fire related debts and liabilities with funds previously provided by the Town of Colchester for fire protection purposes and transferred the fire protection assets to the Town. CFD#3 stopped providing any fire protection services at that time.

Drinking Water Services

In March of 2022 the residents of Colchester Fire District 3 voted 128 to 115 to dissolve the Fire District and transfer all remaining assets and liabilities to the Champlain Water District (CWD).

In June of 2022 CWD executed an Asset Purchase Agreement with CFD#3 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.), a small office building, cash, and deposits. The liabilities included three existing bond bank loans.

Current Status

On July 1, 2022, the asset transfer became effective and CWD has owned and operated the CFD#3 water system since that date.

The current CWD general manager, Joseph Duncan, affirms that as of July of 2022 all necessary transfers have taken place (see submitted document "CWD Letter of Support for CFD #3 Dissolution"). The residents of CFD#3 now receive fire and rescue services from the Town of Colchester. Water services are provided by CWD.

H.46 completes this process with the State validating the dissolution of CFD#3 as an operational, corporate, and political entity.

I thank you for your time and welcome any questions.