

NO. 6. AN ACT RELATING TO THE CREATION OF THE LAMOILLE
REGIONAL SOLID WASTE MANAGEMENT DISTRICT

(H.23)

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

Sec. 1. CREATION OF LAMOILLE REGIONAL SOLID WASTE MANAGEMENT
DISTRICT

Creation of a union municipal district known as Lamoille
Regional Solid Waste Management District, which was effected by
the voters of its member municipalities on November 8, 1988,
under subchapter 3 of chapter 121 of Title 24, is confirmed and
approved.

Sec. 2 GOVERNING AGREEMENT

The agreement for the creation of the district is amended
to read:

ARTICLE I

CREATION AND POWERS

SECTION 1. CREATION AND NAME

A union municipal district to be known as the Lamoille
Regional Solid Waste Management District is created.

SECTION 2. PURPOSE

The purpose of the District is to provide for the treatment
and management of solid waste generated or disposed of within

the geographical boundaries of member municipalities (the "Members") in accordance with the provisions of this Agreement and chapter 159 of Title 10 (Waste Management), chapter 117 of Title 24 (Municipal and Regional Planning and Development) and chapter 121 of Title 24 (Intermunicipal Cooperation and Services). The means of treatment and management may include, but are not limited to, land disposal, recycling and transportation. The District is not organized nor shall it function for the purpose of treating or disposing of hazardous waste.

SECTION 3. COMPOSITION

The District includes all the lands within those municipalities which vote to approve and enter into this Agreement. At the time of its creation, those municipalities are Belvidere, Cambridge, Craftsbury, Eden, Elmore, Hyde Park, Johnson, Morristown, Stowe, Waterville, Wolcott, and Worcester.

SECTION 4. DURATION

The District shall continue perpetually.

SECTION 5. POWERS

(a) The District shall have all those powers set forth in section 4866 of Title 24 as the same presently exists, together with any additional powers which may be added thereto by

amendment in the future, all of which powers are incorporated herein by reference.

(b) Except as provided by Section 7 herein, the District shall have the power:

(1) To operate, cause to be operated and/or contract for the operation of any and all facilities for the collection, transportation, treatment, storage, resource recovery, recycling and disposal of solid waste, and to determine and make charges for such services.

(2) To purchase, sell, own, lease, convey, mortgage, improve, and use real and personal property.

(3) To sue.

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

(5) To adopt a capital budget and program.

(6) To issue regulations implementing the purposes of the District, subject to the requirements of chapter 59 of Title 24.

(7) To provide solid waste disposal services for the member municipalities and others.

(8) To exercise the power of eminent domain.

(9) To borrow money and issue evidence of indebtedness as provided by chapter 53 of Title 24 (Indebtedness) or other provisions of law authorizing general obligations or revenue

debt, including chapter 12 of Title 10 (Vermont Industrial Development Authority) and chapter 119 of Title 24 (Municipal Bond Bank).

(10) To establish a budget and assess member municipalities and others in accordance therewith.

(11) To appropriate and expend monies.

(12) To establish sinking funds for the retirement of bonded or other indebtedness.

(13) To charge member municipalities, haulers, commercial and residential generators and others for solid waste generated, arising or disposed of within the geographical boundaries of member municipalities regardless of how such waste is disposed. This power includes the ability to make estimates of amounts generated and/or hauled for purposes of such charges.

(14) To exercise any other powers which are necessary or desirable for dealing with solid waste problems consistent with the provisions of Title 10 and Title 24.

(15) To establish capital reserve funds.

(16) To accept and administer gifts, grants and bequests in trust.

(17) To exercise all powers incident to public corporations.

(18) To make payments in lieu of taxes to Members hosting District facilities.

(19) To do all things set forth in or necessary to this Agreement.

(20) To enter into contracts with banks, insurance companies or other financial institutions so as to obtain a letter of credit, bond insurance, or other forms of financial guarantees or credit enhancement in connection with District bonds, notes, or other evidence of indebtedness.

(21) To provide host communities of District facilities with incentive payments, services, and benefits.

SECTION 6. SOVEREIGN IMMUNITY

The District shall have the benefit of sovereign immunity to the same extent that the State of Vermont does. The District shall provide liability and other insurance for itself and the members of the Board of Supervisors ("The Board"). The District shall hold harmless and indemnify all members of the Board from all claims of every kind and nature arising out of or connected with duties as Supervisors excepting only willful negligence and criminal conduct.

SECTION 7. TRANSPORTATION AND COLLECTION SITES

The costs and responsibility for providing adequate collection sites for the solid waste generated within its geographical boundaries and for the transportation of such solid waste to the appropriate District facility shall be borne by each Member. Should any Member not wish to institute its own system for meeting this obligation, the Board may provide for the collection and transportation of such solid waste.

SECTION 8. DEFINITIONS

(a) "Board" means the Board of Supervisors of the Lamoille Regional Solid Waste Management District.

(b) "District" means the Lamoille Regional Solid Waste Management District.

(c) "Members" means those municipalities who comprise the District.

(d) "Solid Waste" means any discarded garbage, refuse, or any other solid, liquid or contained gaseous material as well as septage or sludge from a waste or water supply treatment facility, but does not include hazardous.

(e) "Hazardous Waste" means any solid, liquid or contained gaseous waste, or any combination of these wastes, which because of its quantity, concentration, or physical, chemical or infectious characteristics has ever been at any time in the

past, is presently or may in the future, be classified as hazardous under applicable laws and regulations of United States, the State of Vermont or any subdivision thereof, or by regulation of the District.

(f) "Transport" or "transportation" means the movement of waste by air, rail, highway or water.

(g) "Treatment" means any method, technique or process including neutralization designed to change the physical, chemical or biological character or composition of any solid waste so as to neutralize such waste, or so as to recover energy or material resources from the waste or so as to render such waste safer for transport, amenable for recovery, amenable for storage, or reduced in volume.

(h) "Facility" means all contiguous land, structures, other appurtenances, and improvements on the land, used for treating, recycling, storing or disposing of waste. A facility may consist of several treatment, storage or disposal operational units.

(i) "Disposal" means the discharge, deposit, injection, dumping, spilling, leaking or placing of any solid waste into or on any land or water such that solid waste or any constituent

thereof may enter the environment or be emitted into the air or discharged into any ground or surface waters.

(j) "Person" means any individual, partnership, company, corporation, association, unincorporated association, joint venture, trust, municipality, the State of Vermont or any agency, department or subdivision of the State, federal agency, or any other legal or commercial entity.

ARTICLE II

THE BOARD

SECTION 1. AUTHORITY

All power and authority of the District shall be exercised by the Board except as provided in Article V.

SECTION 2. COMPOSITION

Each member of the District shall have one Supervisor on the Board for each 9 votes, or portion thereof to which it is entitled under Section 8 of this article. Each Supervisor must be a resident of his or her municipality, entitled to vote in municipal elections.

SECTION 3. SELECTION OF SUPERVISORS

(a) Initial board. The initial Board shall be appointed by the legislative body of each member. Appointments shall be

made within thirty days of the effective date of this Agreement and certified by the Clerk of each Member to the Clerk of the District.

(b) Subsequent boards. For subsequent boards the voters of each Member shall decide the method by which its Supervisor(s) shall be chosen. Unless the voters of a Member decide at a regular or special meeting warned for that purpose to have their Supervisor(s) appointed by the legislative body of the Member, their Supervisor(s) shall be elected at their annual meeting for the term specified below.

(c) Terms. Supervisors on the initial Board shall serve for a term ending with the appointment or election of the Board in 1990. In order to stagger the terms of the Supervisors on the second Board, the initial Board at their organizational meeting shall draw by lot the terms which the Supervisors from their respective municipalities shall hold upon election or appointment of the second Board. At least half the Supervisors of the second Board shall serve two-year terms, and the remainder shall serve one-year terms. Thereafter, all terms shall be two years.

(d) Elections. Elections for Supervisor(s) shall take place biennially (except for the election following a one-year

term of a Supervisor to the second Board) at the annual meeting of each Member in the same manner as elections for the legislative body of the Member. Results of the election shall be certified by the clerk of each Member to the Clerk of the District.

(e) Appointments. If a Member chooses to have its legislative body appoint its Supervisor(s) to the District, the legislative body shall make its appointment by the end of March in the year in which the term of the preceding Supervisor for that Member expires. The Clerk of each Member shall certify its appointment to the Clerk of the District.

(f) Oath of Office. All Supervisor(s) shall take an oath of office similar to that taken by members of legislative bodies of municipalities, per section 831 of Title 24. The oath shall be administered by the Clerk of the Supervisor's municipality.

SECTION 4. ORGANIZATIONAL MEETING

Within 60 days of the effective date of this agreement, the Chairperson of the Lamoille County Planning Commission shall designate a time and place for the organizational meeting of the initial Board. Annually thereafter, on the first Wednesday of April, the Board shall hold its organizational meeting at a time and place designated by the Board Chairperson. At the

organizational meeting, the Board shall elect from among its membership a Chairperson and a Vice-Chairperson, each of whom shall hold office for one year and until a successor is duly elected and qualified. For this election each Supervisor present shall cast one vote, except that no Supervisor shall be elected Chairperson for more than three consecutive terms unless Supervisors representing at least two-thirds of all votes entitled to be cast on behalf of all Members and comprising at least two-thirds of all possible Supervisors (including vacancies) shall so vote. The Chairperson and Vice-Chairperson who are elected at the organizational meeting of the initial Board shall hold office until the second Board elects their successors.

SECTION 5. REGULAR MEETINGS

A schedule of regular meetings of the Board shall be established at its annual organizational meeting. The schedule shall be sent to the Clerk of each Member for posting.

SECTION 6. SPECIAL MEETINGS

Special meetings of the Board shall be called at any time by the Chairperson and shall be called by the Clerk upon written request of a majority of the Members of the Board. Each Supervisor shall be given at least 24-hours' notice of any

special meeting by telephone, or by written notice delivered personally, or by regular mail. Notice by mail is effective upon deposit in the mail at least 72 hours before the special meeting. Supervisors waive the notice requirements if they attend the special meeting, unless attendance is for the sole purpose of protesting the holding of the meeting. No action may be taken at a special meeting which is not warned specifically in the notice.

SECTION 7. QUORUM

To transact business, Supervisors who represent more than half of the Members and whose votes constitute more than 50% of the total votes of all Supervisors must be present. No proxies shall be allowed. A smaller number may adjourn to a later date, provided notice is given to all members as if such adjourned meeting were a special meeting. If a quorum is not attained at two consecutive regular meetings, a quorum may be attained at the next regular meeting by the presence of either Supervisors from half of the Members or Supervisors whose votes constitute 50% of the total votes of all Supervisors.

SECTION 8. VOTING

Each member shall be entitled to one vote plus one vote for each 1500 people or any portion thereof of its population. The

number of votes entitled to be cast on behalf of any member entitled to more than one Supervisor shall be divided equally among its Supervisors. Fractional votes, if any, shall be taken into account. No Supervisor(s) may split votes. No proxies shall be allowed. Population shall be determined as follows until the results of the 1990 U.S. census are available for the Members:

<u>TOWN</u>	<u>POPULATION</u>
Belvidere	237
Cambridge	2,289
Craftsbury	875
Eden	715
Elmore	487
Hyde Park	2,182
Johnson	2,728
Morristown	4,546
Stowe	3,296
Waterville	521
Wolcott	1,091
Worcester	814

When the results of the 1990 census are available, and decennially thereafter when new U.S. decennial census data are

available, the number of votes granted to each Member shall be determined at the next organizational meeting. Any action adopted by a majority of the votes cast at a meeting of the Board at which a quorum is present shall be the action of the Board. Approval of the siting of any District facility or of the condemnation by eminent domain of any property by the District shall require approval by Supervisors representing at least two-thirds of all votes entitled to be cast on behalf of all Members and comprising at least two-thirds of the Supervisors present.

SECTION 9. VACANCY

A Supervisor may resign at any time by notice to the Chairperson of the legislative body of the municipality represented. The Board shall declare, by written certification to the legislative body of a member municipality, a vacancy for the position of the Supervisor from that member municipality after the Supervisor has failed to attend three consecutive meetings of the Board within one year beginning in March and ending in February of the subsequent year. Upon resignation, death, certification of vacancy by the Board or removal from the municipality by a Supervisor, the legislative body of that Member shall appoint a Supervisor for the remainder of the term

of such Supervisor within 45 days. The appointment shall be certified by the Clerk of the Member to the Clerk of the District. For any vacancy, the number of votes attributable to such municipality shall not be counted for purposes of determining a quorum or the number of votes eligible to be cast by the Board during the period of such vacancy.

SECTION 10. COMPENSATION

Each Member shall pay to its Supervisor such reimbursement of expenses or stipend as the Member shall determine.

ARTICLE III

OFFICERS

SECTION 1. OFFICERS

The officers of the District shall be the Chairperson and the Vice-Chairperson of the Board of Supervisors, the Clerk of the District, and the Treasurer of the District. There may also be an Assistant Clerk, an Assistant Treasurer, a Grand Juror, and an Acting Chairperson. No person may hold more than one office at the same time.

SECTION 2. BOND

Within 30 days of their election or appointment, all officers shall post bond in such amounts as shall be determined

by the Board. The cost of such bond shall be borne by the District.

SECTION 3. CHAIRPERSON

The Chairperson of the Board shall be the chief executive officer of the District. The Chairperson shall preside at all meetings of the Board and shall make and sign all contracts on behalf of the District upon approval by the Board. The Chairperson shall perform all the duties incident to the position and office.

SECTION 4. VICE-CHAIRPERSON

The Vice-Chairperson shall preside during the absence of the Chairperson or in the event the Chairperson elects not to preside. In either case, the Vice-Chairperson shall have the same duties and authority as the Chairperson.

SECTION 5. ACTING CHAIRPERSON

When both the Chairperson and Vice-Chairperson are either absent or elect not to preside, the Board shall designate a member of the Board to serve as Acting Chairperson. In any such case, the Acting Chairperson shall have the same duties and authority of the Chairperson and shall serve until either the Chairperson or Vice-Chairperson resume their duties.

SECTION 6. CLERK

The Clerk of the District shall be appointed by the Board. The Clerk, with the approval of the Board, may appoint an Assistant Clerk. Neither the Clerk nor the Assistant Clerk may be a Supervisor. The Clerk shall have charge and custody of the public records of the District and the seal of the District. The Clerk shall record all votes and proceedings of the District, including meetings of the District and meetings of the Board and shall cause to be posted and published all warnings of meetings of the District. The Clerk shall prepare all warnings of meetings of the District as required by Article V. Following approval by the Board the Clerk shall cause the annual report to be distributed to the legislative bodies of the Members. The Clerk shall prepare and distribute any other reports required by laws of the State of Vermont and resolutions or regulations of the Board. The Clerk shall perform all the duties and functions incident to the office of secretary or clerk of a body politic and corporate.

SECTION 7. TREASURER

The Treasurer of the District shall be appointed by the Board. The Treasurer, with the approval of the Board, may appoint an Assistant Treasurer. Neither the Treasurer nor the Assistant Treasurer may be a Supervisor. The Treasurer shall

have the custody of the funds of the District and shall be the disbursing officer of the District. When authorized by the Board of Supervisors, the Treasurer shall sign, make or endorse in the name of the District all checks and orders for the payment of monies and pay out and disburse the same.

SECTION 8. GRAND JUROR

The Board may appoint a Grand Juror who shall inquire into any person's offenses under the District's regulations or applicable law and present them to the proper authority. If the Attorney General or the State's Attorney is unwilling to prosecute such offenses, the Grand Juror may do so. For these purposes, the Grand Juror shall have the same authority within the District as a State's Attorney. The Grand Juror shall not be a Supervisor.

SECTION 9. OPEN MEETINGS AND PUBLIC RECORDS

The conduct of all meetings and the maintenance of all records of the District and the Board shall be governed by the laws of this State relating to open meetings and accessibility of public records.

SECTION 10. AUDIT

The Board shall cause an audit of its financial records to be performed annually by an independent professional accounting firm or a certified public accountant.

SECTION 11. COMMITTEES

The Board shall have the authority to establish any and all committees as it may deem necessary.

SECTION 12. COMPENSATION

Officers of the District shall be paid such compensation or reimbursement of expenses, or both, as shall be determined by the Board.

SECTION 13. RECALL OF OFFICERS

An officer may be removed by a vote of two-thirds of the Supervisors of the entire Board whenever, in its judgment, the best interest of the District will be served. For this action, each Supervisor shall cast one vote.

ARTICLE IV

FISCAL AFFAIRS

SECTION 1. FISCAL YEAR

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

SECTION 2. BUDGET APPROPRIATION AND ASSESSMENT

(a) PROPOSED BUDGET. Annually on or before the first day of November, the Board shall approve and cause to be distributed to the legislative body of each member municipality for review and comment an annual report of its activities, including a financial statement, and proposed budget of the District for the next fiscal year. The Board shall hold a public hearing on or before the first day of December of each year to receive comments from the legislative bodies of the Members and hear all other interested persons regarding the proposed budget. Additional public hearings may be held if the Board deems it appropriate to do so. Notice of such hearing(s) shall be the same as that specified under Section 3 of Article V, except that for additional public hearings the time requirements of that section shall be reduced by 15 days and notice(s) need only be published once. The Board shall give consideration to all comments received and make such changes to the proposed budget as it deems advisable.

(b) BUDGET ADOPTION, APPROPRIATIONS, AND ASSESSMENT. Annually on or before January 1, the Board shall adopt the budget, appropriate the sums which it deems necessary to operate and carry out the District's functions for the next ensuing fiscal year, assess each Member for its proportionate share of

the sums so appropriated, less revenues anticipated from the Member through tipping fees, and adopt a schedule designating when such assessments are due and payable by the Members.

(c) APPORTIONMENT OF ASSESSMENTS. Assessments shall be apportioned among the Members on the basis of relative tonnage or volume of solid waste generated by or within each of the Members. Each Member shall be assessed a percentage of the sum appropriated equal to the ratio which the solid waste generated by or within the Member in the prior year bears to the total solid waste generated by or within the District. If the Board determines in any year that the assessments for the previous year were substantially inequitable it shall retroactively adjust the prior year's assessment such that any overcharged Member is given a proportionate credit against future assessments and any undercharged Member is assessed a proportionate surcharge payable over a period that the Board determines will be reasonable. The foregoing notwithstanding the Board may levy special assessments for waste which require special or disproportionately expensive treatment not reflected by tonnage or volume.

SECTION 3. COLLECTION

Annually on or before the first day of February, the Treasurer shall issue and present a warrant to the legislative body of each Member requiring that the amount of such assessment be paid beginning not sooner than July in accordance with the schedule of payments adopted by the Board. The legislative body of each Member shall draw an order on the municipal treasurer for the amount of such assessment and the municipal treasurer shall pay to the District Treasurer the amount of such order. If any Member shall fail to pay when due any assessment against it by the District, it shall incur an additional charge that the Board determines will be reasonable. However, the charge shall not exceed the maximum charge which municipalities may charge for delinquent real property taxes plus interest. Interest shall be charged at a rate the Board determines to be reasonable. Such additional charge and interest, together with the amount due, court costs and reasonable attorney fees of the District may be recovered by the District in a civil action brought in the Lamoille Superior Court under this section, notwithstanding any other remedy available to the District.

SECTION 4. LIMITATIONS OF APPROPRIATIONS

Appropriations made by the Board for the various estimates of the budget as defined in Section 2 of Article IV above shall

be expended only for such estimates; however, by majority vote of the Board the budget may be amended from time to time to transfer funds between or among such estimates. Any balance left or unencumbered in any such budget estimate shall lapse at the end of the fiscal year. The amount of any deficit at the end of the fiscal year, shall be included in the next proposed operating budget and paid out of the appropriations for that budget year.

SECTION 5. INDEBTEDNESS

(a) SHORT-TERM BORROWING. The Board may borrow money through the issuance of notes of the District for the purpose of paying current expenses of the District. Such notes must mature within one (1) year. The Board may also borrow money in anticipation of assessment to each Member in an amount not to exceed ninety percent (90%) of the amount assessed for each year, and may issue notes of the District which must mature within one (1) year. The Board may also borrow money in anticipation of grants-in-aid from any source and any revenues other than assessments through the issuance of notes of the District. Such notes must mature within one (1) year but may be renewed as provided by general law. The Board may also borrow money in anticipation of bond proceeds which have been

authorized as provided herein. Said notes shall be issued as provided in 24 V.S.A. Chapter 53.

(b) LONG-TERM INDEBTEDNESS

(1) SUBMISSION TO VOTERS. On a petition signed by at least ten percent (10%) of the voters of the District, the proposition of incurring a bonded debt or other indebtedness to pay for public improvements or of authorizing a long-term contract shall be submitted by the Board to the voters thereof at a special meeting to be held for that purpose. In the alternative, when the Board shall determine by resolution passed by the majority of members present and voting at a duly warned and called meeting, that the public interest or necessity demands improvements or a long-term contract, and that the cost of the same will be too great to be paid out of the ordinary annual income and revenue, it shall order the proposition of incurring indebtedness or of authorizing a long-term contract to be submitted to the voters of the District at a meeting to be held for that purpose. A "long-term contract" means a contract in which the District incurs obligations for which the costs are too great to be paid out of the ordinary annual income and revenues of the District, in the judgment of the Board. The term "long-term contracts" shall not include any contract that

is subject to annual renewal or extension at the election of the District, or any contract pursuant to which payment by the District shall be subject to annual appropriations in accordance with the annual budget, or any contract for services or the purchase or lease of equipment, materials or supplies needed in the ordinary course of business of the District. The term "public improvements" shall include improvements which may be used for the benefit of the public, whether or not publicly owned or operated. Bonded debt or other indebtedness may be authorized for any purpose permitted by chapter 53 of Title 24, chapter 119 of Title 24, and chapter 12 of Title 10, or any other applicable statutes for any purpose for which the District is organized. The Board may not submit to the voters more than twice in the same calendar year the proposition of incurring bonded or other indebtedness to pay for the same or similar public improvement or of entering the same or similar long-term contract.

Any bonds, notes or other evidence of indebtedness of the District may be sold at par, premium, or discount, at public or private sale or to the Vermont Municipal Bond Bank, as the District, acting through the Board of Supervisors, shall determine.

(2) WARNINGS OF MEETING. The warning of a special meeting of the District to incur bonded debt or other indebtedness or to authorize a long-term contract shall state the object and purpose for which the indebtedness or long-term contract is proposed to be incurred or authorized, the estimated cost of the improvements or service, the amount of bonds or other evidence of indebtedness proposed to be authorized, a summary of the terms of any contract proposed to be authorized, and means of raising or apportioning costs entailed thereby for debt service or payments under a long-term contract. The warning shall state the places where and the date and time when the meeting shall be held and the hours of opening and closing the polls. The Board, in cooperation with the Board of Civil Authority of each member municipality, shall determine the number and location of polling places. There shall be at least one polling place in each Member.

(3) NOTICE OF MEETING. The Clerk of the District shall cause notice of such special meeting to be published in one or more newspapers of known circulation in the District once a week for three consecutive weeks on the same day of the week, the last publication to be not less than five nor more than ten days before such meeting. Notice of such meeting shall also be

posted in at least three public places within each member municipality at least thirty and not more than forty days before the meeting and be filed with the clerk of each Member and the Clerk of the District prior to posting.

(4) AUTHORIZATION. The Board shall meet within twenty-one days of the special meeting and each Member shall cast its votes through its Supervisor(s) according to Section 8 of Article II for or against the issuance of bonds or other indebtedness or to authorize a long-term contract based upon the majority of votes cast by that Member's voters. When the majority of votes of the Board so cast favor the issuance of bonds or other indebtedness or to authorize a long-term contract, the District shall be authorized as provided in chapter 53 of Title 24 (Indebtedness) or other applicable statutes, or to enter into the long-term contract. The ballots cast in each Member shall be counted by the election officials of each Member, preserved and secured with the checklist, and thereafter the results shall be certified to the District Clerk within 48 hours. The provisions of Title 17, Vermont Statutes Annotated, and Article V, Sections 7 (Australian Ballot), 8 (Qualifications and Registration of Voters), 9 (Conduct of Meetings), 10 (Reconsideration or Recission of Vote), and 11 (Validation of District Meetings)

shall apply to any District meeting called to incur long-term debt or to authorize a long-term contract.

The District may issue such bonds, notes, or other evidence of indebtedness from time to time in one or more series or separate series, as determined by the Board of Supervisors, provided that the aggregate principal amount does not exceed the principal amount for which voter approval was obtained. Such bonds, notes, or other evidence of indebtedness may bear such date or dates, mature at such time or times not exceeding forty years from their respective dates, bear interest at such rate or rates (including variable rates) payable semiannually, monthly, or at such other time as determined by the Board of Supervisors, be in such denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption, with or without premium, be declared or become due before the maturity date thereof, as such resolutions authorizing their issuance may provide.

(5) ASSESSMENT. The cost of debt service or of payments under a long-term contract shall be included in the annual budget of the District, and shall be allocated among the member

municipalities as provided in Article IV, Section 2(c) above, unless otherwise provided by applicable law and in the vote authorizing the same. The applicable provision of chapter 53 of Title 24 (Indebtedness) or other enabling law under which debt is incurred or long-term contracts authorized shall apply to the issuance of bonds or other evidence of indebtedness by the District and for that purpose the District shall be deemed a "municipal corporation", the Board shall be deemed a "legislative branch", and the District Treasurer shall be deemed a "municipal treasurer" within the purview of that chapter. Bonds or other evidence of indebtedness and long-term contracts shall be signed by the Treasurer and Chairperson of the Board of the District.

(6) BONDS ELIGIBLE FOR INVESTMENT. Bonds and notes issued by the District shall be legal investments for all persons without limit as to the amount held, regardless of whether they are acting for their own account or in a fiduciary capacity; such bonds and notes shall likewise be legal investments for all public officials authorized to invest public funds.

(7) TAX EXEMPTION. All bonds, notes, and other evidence of indebtedness issued by the District are issued by a body corporate and public of the state and for an essential public

and governmental purpose and those bonds, notes, and other evidence of indebtedness and the interest thereon and the income therefrom, and all fees, charges, funds, revenues, income and other monies pledged or available to pay or secure the payment of those bonds, notes, and other evidence of indebtedness or interest thereon, are exempt from taxation except for transfer, inheritance and estate taxes.

(8) PURCHASES AND DISPOSITION OF OWN OBLIGATIONS. The District may purchase bonds, notes, and other evidence of indebtedness of the District out of any of its funds or money available therefor. The District may hold, cancel, or resell the bonds, notes, and other evidence of indebtedness subject to and in accordance with agreements with holders of its bonds, notes, and other evidence of indebtedness.

(9) PRESUMPTION OF VALIDITY. After issuance, all bonds, notes, and other evidence of indebtedness of the District shall be conclusively presumed to be fully authorized and issued by all the laws of this state, and any person or governmental unit shall be stopped from questioning their authorization, sale, issuance, execution, or delivery by the District.

(10) SPECIFIC PROVISIONS. In connection with the issuance of any bonds, notes, or other evidence of indebtedness, in

addition to the powers it may now have or hereafter have, the District may make such covenants and agreements and exercise such powers as contained in Title 24, Vermont Statutes Annotated, Chapter 53, whether or not the District's bonds, notes or other evidence of indebtedness are payable solely and exclusively from net revenues of a District solid waste management facility.

SECTION 6. SINKING FUND

The Board may establish and provide for a sinking fund, however denominated, for the retirement of bond issue or other debt, or to provide security for the payment thereof. When so established, it shall be kept intact and separate from other monies at the disposal of the District, and shall be accounted for as a pledged asset for the purpose of retiring or securing such obligations. The cost of payments to any sinking fund shall be included in the annual budget of the District.

SECTION 7. CAPITAL RESERVE FUND

The Board may establish and provide for a capital reserve fund to pay for public improvements, replacement of worn out buildings and equipment, and major repairs of District facilities. Any such capital reserve fund shall be kept in a

separate account and invested as are other public funds and shall be expended for such purposes for which established. The cost of payments to any capital reserve fund shall be included in the annual budget of the District.

SECTION 8. DISPOSAL FEES

Giving due consideration to the fact that state policy, as established in 10 V.S.A. Section 6601, provides that the generators of waste should pay disposal costs that reflect the real costs to society of waste management and disposal, the Board may establish and adjust a disposal fee structure (tipping fee) for the purpose of generating revenues from sources other than assessments to Members. Whenever the District establishes a facility or contracts to use a facility, whether for treatment or disposal of solid waste, the District shall first consider implementing a fee structure which places the cost of treatment or disposal on the person seeking treatment or disposal of the solid waste. To the extent that such a fee structure can be implemented in an environmentally sound and economically beneficial way, the District shall implement such a fee structure.

ARTICLE V

SPECIAL DISTRICT MEETINGS

SECTION 1. SPECIAL DISTRICT MEETINGS

The Board may on its own motion call special meetings of the District and shall call a special meeting of the District when action by the voters of the District is required. The Board shall call a special meeting of the District if petitioned to do so by not less than five (5%) percent of the voters of the District. The Board may rescind the call of the special meeting called on its own motion. The Board shall endeavor to schedule time of special meetings to coincide with the time of annual municipal meetings, primary elections, general elections or similar meetings when the electorate within the Members will be voting on other matters.

SECTION 2. PLACES OF MEETINGS

At any special meeting of the District, voters of each Member shall cast their ballots at such polling places within the municipality of their residence as shall be determined by the Board in consultation with the Board of Civil Authority of each municipality.

SECTION 3. PUBLIC HEARINGS

Not less than 30 nor more than 40 days prior to any special meeting of the District the Board shall hold at least one public hearing at which the issues to be voted upon at the special

meeting shall be presented for public comment. Notice of such public hearings shall include a warning published in one or more newspapers of general circulation in the District at least once a week, on the same day of the week for three consecutive weeks, the last publication to be not less than five nor more than ten days before the public hearing.

SECTION 4. WARNINGS REQUIRED

The Board of the District shall warn a special meeting of the District by filing a notice with the clerk of each Member and by posting or causing to be posted a notice in at least three public places in each municipality in the District not less than 30 nor more than 40 days before the meeting. The warning shall be published in one or more newspapers of general circulation in the District once a week on the same day of the week for three consecutive weeks before the meeting, the last publication to be not less than five nor more than ten days before the meeting.

SECTION 5. SIGNING OF WARNING

The original warning of any special meeting of the District shall be signed by the Clerk and Chairperson of the Board.

SECTION 6. WARNING CONTENTS

The posted notification shall include the date, time, place and nature of the meeting. It shall, by separate articles, specifically indicate the questions to be voted on.

SECTION 7. AUSTRALIAN BALLOT

The Australian ballot system shall be used at all special meetings of the District.

SECTION 8. QUALIFICATIONS AND REGISTRATION OF VOTERS

All legal voters of the member municipalities shall be legal voters of the District. The municipality shall post and revise checklists in the same manner as for municipal meetings prior to any District meeting.

SECTION 9. CONDUCT OF MEETINGS

At all special meetings of the District, the provisions of chapter 51 of Title 17 regarding election officials (Subchapter 1), voting machines (Subchapter 3), polling places (Subchapter 4), absent voters (Subchapter 6), process of voting (Subchapter 7), count and return of votes (Subchapter 8), recount and contest of elections (Subchapter 9), and jurisdiction of courts (Subchapter 10) shall apply except where clearly inapplicable. The District Clerk shall perform the functions assigned to the Secretary of State under that chapter. The Lamoille Superior

Court shall have jurisdiction over petitions for recounts.

Election expenses shall be borne by the District.

SECTION 10. RECONSIDERATION OR RESCISSION OF VOTE

(a) A question voted on at any special meeting of the District shall not be submitted for reconsideration or rescission, except at a subsequent special meeting duly warned for that purpose and called by the Board on its own motion or pursuant to a petition requesting such reconsideration or rescission signed and submitted in accordance with subsection (b) of this section.

(b) Where a petition signed by not less than five (5%) percent of the qualified voters of the District requesting reconsideration or rescission of a question considered or voted on at a previous special meeting is submitted to the Board of the District within 30 days following the date of that meeting, the Board shall provide for a vote by the District in accordance with the petition within sixty (60) days of the submission at a special meeting duly warned for that purpose.

(c) A vote taken by a special meeting shall remain in effect unless rescinded at a special meeting called and warned in accordance with this section.

(d) A question voted on shall not be presented for reconsideration or rescission at more than one subsequent meeting without the approval of the Board.

SECTION 11. VALIDATION OF DISTRICT MEETINGS

When any of the requirements as to notice or warning of a special District meeting have been omitted or not complied with, if the meeting and the business transacted is otherwise legal the omission or noncompliance may be corrected and legalized by vote at a special meeting of the District called and duly warned for that purpose. The question to be voted upon shall substantially be; "Shall of the action taken at the meeting of the District held on (state date), in spite of the fact that (state the error or omission), and any act or action of the District officers or agents pursuant thereto be readopted, ratified or confirmed?." Errors or omissions in the conduct of any prior special meeting which are not the result of an unlawful notice or warning or noncompliance within the scope of the warning may be cured by a resolution of the Board of the District by a vote of at least two-thirds (2/3) of all the votes entitled to be cast at a regular meeting or a special meeting called for that purpose stating that a defect was the result of an oversight, inadvertence or mistake. When an error or

omission has thus been corrected by resolution, all business within the terms of the action of the qualified voters shall be as valid as if the requirements had been in compliance initially on the condition that the original action by the Board was otherwise in compliance with the legal exercise of its corporate powers.

SECTION 12. PRIORITY

When a special meeting of the District is called to act to incur bonded or other indebtedness or to enter into a long-term contract, and the meeting procedures in this Article conflict with the procedures in Article IV, the procedures in Article IV shall prevail.

ARTICLE VI

MISCELLANEOUS

SECTION 1. WITHDRAWAL OF MUNICIPALITY

(a) Subject to the provisions of subsection (b) below, a Member may vote to withdraw from this Agreement in the same manner as it votes to adopt the Agreement if one (1) year has elapsed since the District has become a Body Politic and Corporate and if the District has not voted to bond for construction and improvements, all in accordance with subsection 4863(g) of Title 24. The provisions of 24 V.S.A. Section

4863(i) and (j) shall apply so that any vote of withdrawal taken less than one (1) year from the time the District has become a Body Politic and Corporate or any vote of withdrawal taken after the District has voted to bond for construction and improvements shall be null and void. The membership of a withdrawing Member shall terminate as of one (1) year following a valid vote to withdraw or as soon after such one (1) year period as the financial obligations of the withdrawing Member have been paid to the District. All of the foregoing notwithstanding, however, in the event that the General Assembly of the State of Vermont shall specifically approve, then a Member may vote to withdraw from the District at any time.

(b) The financial obligations of a withdrawing Member shall include all ongoing costs and assessments of the District until the withdrawing Member has entered into a written agreement satisfactory to Counsel for the District obliging the withdrawing municipality as follows:

(1) To continue to pay its share of all debts incurred by the District for the remaining terms of all bonds and contracts in existence at the time when the vote to withdraw was taken.

(2) To pay the costs of redesigning, rebuilding, or otherwise changing any Facility of the District which may be occasioned by the reduced volume of solid waste resulting from the withdrawal of the Member. Such costs shall be determined by an independent engineering firm hired by the Board and shall bind both the Board and the withdrawing municipality.

(3) To pay its share, based upon its assessment for the year in which it withdraws, of the defense costs and judgment rendered in any legal action brought against the District arising or accruing in any year during which it was a Member of the District.

(4) To pay its share, based upon its assessment for the year in which it withdraws, of all unbudgeted costs and expenses of the District arising out of the activities of the District during the withdrawing Member's term of membership regardless of when such costs and expenses may be discovered.

(5) To pay all of these additional costs either in a lump sum or in installments at such times and in such amounts as required by the Board.

(c) Subsections (a) and (b) of this section notwithstanding, in the event there is a recycling or treatment facility or contracts for recycling or treatment in effect, and

in the further event that the withdrawal of a Member would reduce the amount of solid waste generated to less than the minimum volume required to meet the District's long-term contractual commitments related thereto, then no withdrawal of a Member shall be permitted during the term of such commitments.

(d) After a Member has voted to withdraw, the Board shall give notice to the remaining Members of the vote to withdraw and shall hold a meeting to determine if it is in the best interest of the District to continue to exist. All interested parties shall be given an opportunity to be heard. If the Board determines that it would be in the best interests of the District to cease operations, the Board may prepare and implement a plan for dissolution of the District.

SECTION 2. ADMISSION OF ADDITIONAL MUNICIPALITIES

The Board, by the affirmative vote of Supervisors representing at least two-thirds of all votes entitled to be cast on behalf of all Members and comprising at least two-thirds of all possible Supervisors (including vacancies), may authorize the inclusion of additional municipalities in the District upon such terms and conditions as it shall deem to be fair, reasonable and in the best interests of the District. The petitioning municipality shall comply thereafter with the

approval procedures specified in chapter 121 of Title 24 (Intermunicipal Cooperation and Services). If a majority of the voters of the petitioning municipality present and voting at a meeting of such municipality duly warned for such purpose shall vote to approve the Agreement and the terms and conditions for admission, the vote shall be certified by the clerk of that municipality to the Clerk of the District, and the municipality shall be a Member.

SECTION 3. DISSOLUTION OF THE DISTRICT

(a) Upon the affirmative vote of Supervisors representing at least two-thirds of all votes entitled to be cast on behalf of all Members and comprising at least two-thirds of the Supervisors present, the Board may prepare a plan of dissolution for submission to the voters of the District at a special meeting of the District duly warned for such purposes. If the voters of the District present and voting at such special meeting of the District vote to dissolve the District, the District shall cease to conduct its affairs except insofar as may be necessary to complete the plan of dissolution and conclude its affairs. The Board of Supervisors shall cause a

notice of the plan of dissolution to be mailed to each known creditor of the District and to the Vermont Secretary of State.

(b) The plan of dissolution shall, at a minimum:

(1) Identify and value all assets of the District;

(2) Identify all liabilities of the District, including contract obligations;

(3) Determine how the assets of the District shall be liquidated and how the liabilities and obligations of the District shall be paid, to include assessments against municipalities of the District;

(4) Specify that any assets remaining after payment of all liabilities shall be apportioned and distributed among the municipalities according to the same basic formula used in apportioning the costs of the District to the municipalities.

(c) When the plan of dissolution has been fully implemented, the Board shall certify that fact to the Members whereupon this Agreement and the District shall be terminated.

SECTION 4. AMENDMENT OF THE DISTRICT AGREEMENT

This Agreement may be amended by the voters of the District in the manner prescribed for petitions under Article V of this Agreement, or by the Board under this section. The Board at any regular or special meeting may adopt a resolution expressing the

intention to amend the Agreement. A copy of such resolution shall be mailed to the legislative bodies of the Members and to each Supervisor at least ten days prior to the meeting scheduled to act on the amendment. Unless a majority of the legislative bodies requests, in writing, on or before the date of the meeting scheduled to act on the amendment, that the Board shall hold a special meeting of the District to vote on the amendment, the Board may adopt the amendment. Within ten days of the adoption of the amendment by the Board or by the voters of the District, the Clerk of the District shall certify to the Secretary of State each proposal of amendment. Article V, Section 10, relating to reconsideration and rescission of vote, shall apply to an amendment adopted by a vote of the Board or the voters under this section. The Secretary of State shall then proceed as with municipal charter amendments under section 2645 of Title 17. No amendment shall be made which shall substantially impair the rights of the holders of any bonds or other notes or other evidence of indebtedness or substantially affect any obligations under long-term contracts of the District then outstanding or in effect, or the rights of the District to procure the means for payment, continuation or termination thereof.

SECTION 5. SEAL

The District shall have a seal designed as the Board requires.

SECTION 6. EXTRAMUNICIPAL WASTE

No member may dispose of solid waste from outside its geographical limits without the prior approval of the Board.

SECTION 7. SEVERABILITY

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

SECTION 3. EFFECTIVE DATE

This act shall take effect from passage.

Approved: March 6, 1989

Amended: 16 May 1994