

CHITTENDEN SOLID WASTE DISTRICT



Comprehensive Waste Management

Charter

Adopted March 3, 1987
Amended May 25, 1989
Amended June 18, 1991
Amended March 1, 1992
Amended May 19, 1992

**AN ACT RELATING TO
THE CHITTENDEN REGIONAL SOLID WASTE MANAGEMENT DISTRICT.**

(S.124)

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

**Sec. 1. CREATION OF THE CHITTENDEN REGIONAL SOLID WASTE
MANAGEMENT DISTRICT**

There is hereby created a union municipal district to be known as the "Chittenden Solid Waste District," which has been organized and established and shall hereafter exist in accordance with the provisions of 24 V.S.A. Chapter 121, Subchapter 3, and the provisions of this governing agreement.

Sec. 2. GOVERNING AGREEMENT

The District governing agreement is amended and enacted as follows:

**ARTICLE I
CREATION AND POWERS**

SECTION I. CREATION

There is hereby created a union municipal district to be known as the "Chittenden Solid Waste District" (referred to herein as the "District").

SECTION 2. PURPOSE

The District is created and shall exist for the purpose of providing for the efficient, economical and environmentally sound management of solid waste generated by member municipalities and their residents. Initially the District will engage in a planning phase by exploring various solid waste management alternatives for its member communities including recycling, resource recovery and construction of lined landfills.

SECTION 3. COMPOSITION

The District shall consist of the cities of Burlington, South Burlington, and Winooski, and the towns of Charlotte, Colchester, Essex, Hinesburg, Huntington, Jericho, Milton, Richmond, St. George, Shelburne, Westford, Williston, the Village of Essex Junction and, subject to Article VI, Section 3 of this Agreement, those municipalities which elect to join the District by majority vote of such municipalities, voters present and voting at

an annual or special meeting duly warned for such purpose, excepting those municipalities (including the above named municipalities) which may withdraw from the District in accordance with Article VI, Section 2 of this Agreement. All previous actions of the member municipalities relating to the formation of the District and all previous actions of, and ordinances and regulations adopted by, the Board of Commissioners of the existing Chittenden Solid Waste District, are hereby ratified and approved. The Town of Essex (the "Town") and the Village of Essex Junction (the "Village") shall be treated as separate member municipalities for purposes of this Charter, including representation on the Board of Commissioners and action of the legal voters of the District under this Charter. Legal voters who are residents within the Village shall be entitled to vote at any District meeting only as a resident of the Village and shall not be entitled to a second vote by their residency within the Town.

SECTION 4. DURATION

The District shall continue unless and until dissolved according to the procedures set forth in Article VI, Section 4 of this Agreement.

SECTION 5. POWERS

The District shall be a body politic and corporate with the powers incident to a municipal corporation under the laws of the State of Vermont consistent with the purpose of the District, and in addition shall have the following powers:

- (a) To operate, cause to be operated and contract for the operation of any and all facilities for the collection, transportation, resource recovery, recycling and disposal of solid waste;
- (b) To purchase, sell, lease, own, acquire, convey, mortgage, improve, and use real and personal property in connection with the purposes of the District and to construct, develop and maintain solid waste management facilities in accordance with federal, state and local law. At the election of the municipality in which District owned or leased real property is located (which election, once made, shall be final unless otherwise mutually agreed upon by the District and such municipality), District owned and leased real property shall be exempt from municipal property taxation and special assessments; the District may agree to make payments to the municipality in lieu of such taxes or special assessments;
- (c) To sue and be sued;
- (d) To make contracts of every kind and nature;
- (e) To fix, alter, charge and establish fees and other charges for the services and facilities within its area of operation, which fees and charges shall be equitable and just;
- (f) To enter into management contracts with any person or persons for the management of District facilities for such period or periods of time and under such compensation and other items and conditions as shall be deemed advisable by the District Board;
- (g) To accept gifts or grants or loans of money or other property from any person;

- (h) To enter into contracts, leases or other transactions with any federal agency, the state, any agency of the state, or with any other public body of the state, including, municipalities;
- (i) To exercise the power of eminent domain within the District;
- j) To borrow money and issue evidence of indebtedness as provided by Chapter 53 of Title 24, Vermont Statutes Annotated, as presently enacted and as later may be amended. For the purpose of that chapter, the grand list of the District shall be deemed to be the total of the grand lists of member municipalities, and the debt limit of the District shall not be diminished by any obligation incurred by a member municipality alone. Obligations incurred under such chapter shall be the joint obligations of the District and, except as otherwise expressly provided in the terms thereof, of each member municipality (as provided in Article IV, Section 5 hereof) but shall not be included in the indebtedness of a member municipality for purposes of compliance with debt limitations. The cost of debt service shall be included in the annual budget of the District as provided in Article IV, Section 2 of this Agreement, and to the extent not paid by user fees and revenues shall be allocated among the member municipalities as set forth in said section and in Article IV, Section 5. Where voter approval is required pursuant to Chapter 53 of Title 24 of Vermont Statutes Annotated, the Board of Commissioners shall determine the number and location of polling places, and when a majority of all the voters present and voting on the question from all of the member municipalities at such meeting vote to authorize the issuance of bonds, the Board of Commissioners shall be authorized to issue the bonds as provided in said chapter and in this Agreement;
- (k) To hire and fix the compensation of employees;
- (l) To contract with architects, engineers, financial and legal consultants, and other experts for services;
- (m) To contract with individual, corporations, associations, authorities, and agencies for services;
- (n) To provide solid waste disposal services for the member municipalities, the inhabitants thereof, and the businesses therein, and for such others as its facilities and obligations may allow;
- (o) To contract to pay for solid waste disposal services including without limitation on the basis of guaranteed amounts, whether delivered for disposal and accepted for disposal or not, of solid waste, with payments based on such guaranteed amounts, whether actually disposed of or not, which payments may be variable and may be determined by formulae expressed in such contracts;
- (p) To contract with any member municipality for the services of any officers or employees of that municipality useful to the District;
- (q) To promote cooperative arrangements and coordinated action among its member municipalities;
- (r) To make recommendations for review and action to its member municipalities and other public agencies which perform functions within the region in which its member municipalities are located;
- (s) To exercise any other powers which are necessary or desirable for dealing with solid waste problems of mutual concern and which are exercised or are capable of exercise by any of its member municipalities;

- (t) To establish a budget and assess member municipalities in accordance therewith;
- (u) To appropriate and expend monies;
- (v) To establish sinking funds for the retirement of bonded or other indebtedness;
- (w) To establish debt service reserve funds, operating reserve funds, capital reserve funds for public improvements, and such other funds and accounts as the Board of Commissioners deems necessary or desirable;
- (x) To regulate by ordinance, rule, or regulation the collection, transportation, resource recovery, recycling and disposal of solid waste within the District and to require that acceptable solid wastes generated within the District and any member municipality therein shall be disposed of only in and upon facilities operated by or on behalf of the District;
- (y) To enact and enforce any and all necessary or desirable regulations for the orderly conduct of the government and for carrying out the purpose of the District;
- (z) To enter on any lands and premises for the purpose of making surveys and conducting hydrogeological and other scientific studies and to obtain an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted;
- (aa) To enter into cooperative or interlocal agreements with other municipalities or persons, within or beyond the territorial limits of the District, providing for the disposal and management of solid waste;
- (ab) To exercise the power of eminent domain within any municipality which has withdrawn from the District, provided that such property or site to be taken by eminent domain must have been considered, by official action of the Board of Commissioners, as a potential site or sites for a solid waste management facility during the twelve month period immediately preceding the date of withdrawal;
- (ac) To appoint a grand juror, a constable, and such other officers and agents for the enforcement of ordinances, rules, and regulations of the District. The District grand juror shall have the same powers, perform the same duties, and incur the same liabilities as grand jurors in towns, and shall be entitled to such salary as the Board of Commissioners may determine within limits established by the budget. The District grand juror may prosecute before applicable Vermont courts violations of the ordinances, rules, and regulations of the District;
- (ad) 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;
- (ae) To enter into sitting agreements with municipalities within which a District facility is to be located, which agreements may specify the terms, conditions and provisions under which a District facility shall be constructed, maintained, and operated. Such agreements may further provide that, in the event it is impossible or impracticable to determine whether damage to the environment is caused by the District facility or from adjacent property, the District may indemnify and hold harmless the municipality from any such damage, costs, and liabilities;
- (af) To provide host communities of District facilities with incentive payments, services, and benefits including, but not limited to (i) monetary payments to protect the health, safety, comfort, convenience, and social and economic security of the host

community and its inhabitants, (ii) monetary payments and other provisions to assure the protection of the environment and natural resources of the host community, and (iii) reimbursement of costs incurred by the host community in negotiating siting agreements including but not limited to costs of mediation or arbitration;

(ag) To exercise all powers necessary, appurtenant, convenient or incidental to the carrying out of the District's purpose and to exercise all powers granted by any Act of the Legislature of the State of Vermont either generally to a class of solid waste districts including the District or specifically to the District. Such powers may be exercised by the District without further amendment of this charter unless specifically required by such Act of the Legislature of the State of Vermont granting such powers.

ARTICLE II BOARD OF COMMISSIONERS

SECTION I. 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 Board of Commissioners, except as specifically provided otherwise in this agreement.

SECTION 2. APPOINTMENT

The purposes, powers, duties and responsibilities of the District shall be exercised by a Board of Commissioners consisting of one commissioner and one alternate commissioner from each member municipality. The alternate commissioner shall represent the municipality's at all meetings of the Board of Commissioners that the regular commissioner is unable to attend and shall have all the rights and privileges of a regular commissioner. The legislative bodies of member municipalities whose beginning letter begins with A through K shall appoint their respective commissioners

and alternate commissioners in even numbered years and the legislative bodies of member municipalities whose beginning letter begins with L through Z shall appoint their respective commissioners and alternate commissioners in odd numbered years. The legislative body of each municipality by majority vote, may remove their appointed representative during the two year term for stated reasons. Any vacancy on the Board of Commissioners shall be filled by the legislative body of the respective member municipality; provided, however, that in the event vacancies exist for both the commissioner and the alternate commissioner for a particular municipality, the number of votes attributable to such municipality shall not be counted for purposes of determining the number of votes eligible to be cast by the Board of Commissioners during the period of such vacancy.

SECTION 3. ORGANIZATIONAL MEETING

Annually, on or before the fourth Wednesday in June, commencing in 1989, the Board of Commissioners shall hold its organizational meeting. At such meeting, the Board of Commissioners shall elect from among its membership a Chair and a Vice Chair, each of whom shall hold office for one year and until his or her successor is duly elected and qualified. The Chair and Vice Chair are eligible to be elected to successive terms without limit.

SECTION 4. REGULAR MEETING

A schedule of regular meetings of the Board of Commissioners shall be established at the organizational meeting.

SECTION 5. SPECIAL MEETINGS

Special Meetings of the Board of Commissioners may be called at any time by the Chair or shall be called by the Secretary upon written request of a majority of the members of the Board of Commissioners. Except in case of emergency, each member of the Board of Commissioners shall be given at least 24 hours notice of any special meeting of the Board of Commissioners by notice in person, by telephone, or by written notice delivered personally, mailed, or left at such member's usual place of residence.

SECTION 6. QUORUM

For the purpose of transacting business, the presence of commissioners or, in the absence of a commissioner, his or her alternate commissioner, representing more than 50 percent of the votes then eligible to be cast, shall constitute a quorum.

SECTION 7. RULES OF PROCEDURE

Except as otherwise provided in this agreement, or by action of the Board of Commissioners, Robert's Rules of Order shall govern at all meetings.

SECTION 8. COMPENSATION MEMBERS OF BOARD OF COMMISSIONERS

The District shall pay to the Board of Commissioners such reimbursement of expenses as it shall determine reasonable and for which authorization is provided in an approved budget.

SECTION 9. VOTING

Each member of the Board of Commissioners shall be entitled to cast one vote for every 5,000 population, or portion thereof, in the municipality which he or she represents. Except as otherwise provided herein, a majority of the votes cast shall be required to approve any action. A member of the Board may not split the vote(s) allocated to his or her municipality. The determination of population shall be based on the latest population estimates available from the Vermont Department of Health, or other source agreed on by the Board of Commissioners.

SECTION 10. TERMS OF OFFICE

Each commissioner and alternate commissioner shall serve for a term of two years ending May 31 and until his or her successor is duly appointed.

SECTION 11. ADMINISTRATIVE PERSONNEL

The Board of Commissioners may appoint a manager and such other personnel as it deems necessary for the conduct of the business of the District and the Board of Commissioners shall have the power to prescribe their duties, fix their compensation within limits established by the budget and delegate to them such responsibilities as it deems appropriate. The manager shall make and sign all contracts on behalf of the District, upon approval by the Board of Commissioners.

ARTICLE III

OFFICERS

SECTION 1. ELECTION

The Board of Commissioners annually shall elect from among its members a chair, vice chair, treasurer and secretary, and such other officers as it deems appropriate for the conduct of its business. Upon majority vote of the Board the treasurer or secretary may be non-Board members.

SECTION 2. BOND

Prior to assuming their offices, all officers shall post fidelity bond in such amounts as shall be determined by a resolution of the Board of Commissioners. The cost of such bonds shall be borne by the District.

SECTION 3. CHAIR

The chair shall preside at all meetings of the Board of Commissioners. The chair shall also perform all of the duties incident to the position and office.

SECTION 4. VICE CHAIR

During the absence of or inability of the chair to perform his or her duties, the vice chair shall perform such duties.

SECTION 5. VACANCY

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

SECTION 6. SECRETARY

The secretary shall have the custody of the public records of the District and shall record all votes and proceedings of the District including meetings of the District and meetings of the Board of Commissioners. The secretary shall also prepare and warn all meetings of the District and Board of Commissioners in accordance with Vermont law and shall cause the annual report approved by the Board of Commissioners to be distributed to the legislative bodies of the member municipalities. The secretary shall also perform all the duties and functions incident to the office of a secretary or clerk of a municipal corporation.

SECTION 7. TREASURER

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 Commissioners, 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. The treasurer shall perform all of the duties and functions incident to the office of treasurer of a municipal corporation.

SECTION 8. RECORDS

The conduct of all meetings and public access thereto, and the maintaining of all records, books and accounts of the District shall be governed by the laws of this State relating to open meetings and accessibility of public records.

SECTION 9. AUDIT

The Board of Commissioners shall cause an audit of all District accounts to be performed annually by an independent professional accounting firm or a certified public accountant.

SECTION 10. EXECUTIVE BOARD

The Board of Commissioners shall have the authority to establish an Executive Board and grant such powers to it as it may deem necessary. The Executive Board shall

consist of the Chair of the Board of Commissioners and four members of the Board of Commissioners elected by the Board of Commissioners.

SECTION 11. COMMITTEES

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

SECTION 12. COMPENSATION OF OFFICERS

Officers of the District shall be paid such compensation and reimbursement of expenses as shall be determined by the Board of Commissioners and for which authorization is provided in an approved budget.

SECTION 13. RECALL OF OFFICERS

An officer may be removed by a two-thirds vote of the Board of Commissioners whenever, in their judgment, the best interest of the District will be served.

ARTICLE IV

ANNUAL BUSINESS AND ASSESSMENTS

SECTION 1. FISCAL YEAR

The fiscal year of the District shall begin the first day of July and end on the last day of June of each calendar year. The fiscal year shall constitute the budget and accounting year for the District. The accounting policies of the District shall conform to generally accepted accounting principles.

SECTION 2. PREPARATION OF BUDGET

On or before December first in each year, the Board of Commissioners shall prepare a budget for the District for the next fiscal year, which shall include an estimate of the revenue of the District from fees and other sources, except membership assessments, and the planning and solid waste management expenses for the next fiscal year, including without limitation, debt service, payments due on long-term contracts, payments due to any sinking funds for the retirement of indebtedness, payments due to any capital reserve funds, debt service reserve funds, operating reserve funds and payments due to any other funds established by the District. The budget shall be in such form as deemed desirable by the Board of Commissioners, and shall be so arranged as to show budgeted income and expenditures of the current fiscal year and budgeted and actual income and expenditures of the preceding fiscal year.

SECTION 3. BUDGET HEARING

The Board of Commissioners shall call a hearing of the residents of the member municipalities on or before January 31 in each year for the purpose of presenting the proposed budget and inviting discussion thereon. The hearing shall be held within the boundaries of one of the member municipalities of the District and shall be warned by a notice published in a newspaper of general circulation in each member municipality at least fifteen (15) days prior to the hearing. The notice shall contain a copy of the proposed budget, and the legislative body of each member municipality shall be sent a copy of the notice, with attached proposed budget, at least fifteen (15) days prior to such hearing.

SECTION 4. ADOPTION

(a) Following the public hearing provided for in the preceding section, the Board of Commissioners shall review the proposed budget in light of comments received at the hearing, and shall thereupon approve the budget for adoption pursuant to subsection (b), with or without changes.

(b) Within 45 days of the approval of the budget by the Board of Commissioners, the legislative body of each member municipality shall act to approve or disapprove the budget.

The budget shall be approved if approved by the legislative bodies of a majority of the member municipalities. (For such purposes, each municipality shall be entitled to one vote.) A legislative body that disapproves the budget must file with the Board of Commissioners a written statement of objections to the budget identifying those specific items to be changed, and failure to file such statement of objections within the forty-five (45) day period shall constitute approval by such municipality. A legislative body that fails to act to approve or disapprove the budget within the forty-five (45) day period shall likewise be deemed to have approved the budget.

Unless a petition is filed in accordance with subsection (d) of this Section, the budget shall become effective forty-five (45) days after the date of its adoption, or at such time following the expiration of forty-five (45) days from the date of its adoption as is determined by the Board. If a petition is filed in accordance with subsection (d) of this Section, the taking effect of the budget shall be governed by subsection (f) of this Section.

(c) A budget adopted by the Board may be disapproved by a vote of a majority of the qualified voters of the District voting on the question at a special meeting duly warned for the purpose, pursuant to a petition signed and submitted in accordance with subsection (d) of this section.

(d) A petition for a vote on the question of disapproving a budget shall be signed by not less than five percent of the qualified voters of the District, and presented to the District Secretary within thirty days following the date of adoption of the budget.

(e) When a petition is submitted in accordance with subsection (d) of this Section, the Board shall call a special meeting within sixty days from the date of receipt of the petition to determine whether the voters will disapprove the budget.

(f) If a petition for a special meeting is duly submitted in accordance with this Section, to determine whether a budget shall be disapproved by the voters of the district, the budget shall take effect on the conclusion of the meeting, or at such later date as is specified in the budget, unless a majority of the qualified voters voting on the question at the meeting vote to disapprove the budget in which event it shall not take effect.

(g) The ballots cast in each member municipality shall be counted by the election officials of each member municipality preserved and secured with the checklist, and thereafter the result shall be certified to the District Secretary within 48 hours. The provisions of Title 17, Vermont Statutes Annotated, shall apply to any District meeting called pursuant to this Section.

(h) If the annual budget for any fiscal year is not approved as of the beginning of such fiscal year, the District shall continue to operate on the budget for the immediately preceding fiscal year until a new budget is approved.

(i) Notwithstanding any disapproval of the budget, the District shall be obligated to pay the principal of and interest on bonds, notes, and other evidence of indebtedness of the District and to satisfy any other obligations relating thereto and to pay obligations under any long-term contracts. To the extent provided by the terms of such bonds, notes, or other evidence of indebtedness, or long-term contracts, each member municipality shall be obligated to pay its share of such indebtedness and obligations under long-term contracts. Unless otherwise provided in the vote authorizing the same, a municipality's share of indebtedness shall be determined by the Board of Commissioners and shall be in an amount proportionate to the actual or estimated tonnage or volume of solid waste generated by that municipality as determined by the Board of Commissioners pursuant to Article IV, Section 5, of this Agreement.

SECTION 5. APPROPRIATIONS AND REVENUES

Should anticipated user fees and revenues from District services and facilities not be sufficient to pay for any obligations or liabilities of the District, the Board of Commissioners shall, following adoption of the budget, apportion the sums for solid waste management, and District obligations and liabilities required to be contributed by each member municipality on the basis of the actual or estimated annual tonnage or volume of solid waste generated by each member municipality as determined by the Board of Commissioners.

Each member municipality shall be assessed a percentage of the sum of the District obligations and liabilities equal to the ratio which the solid waste generated by the member municipality bears to the total solid waste generated within the District. The Board of Commissioners may from time to time annually determine the percentage of

solid waste generation attributed to each member municipality which determination shall be based on waste generation information for the most recent twelve month period for which information is available. For the purposes of this Section, the weight or volume of solid waste generated shall be deemed to include all discarded materials separated or collected for recycling.

The provisions of this Section shall not apply to any bonds, notes, or other evidence of indebtedness or long-term contracts which, according to their respective express terms, are payable solely and exclusively from user fees and revenues of the District.

A uniform unit of cost per ton or other volume of solid waste shall be established by the Board each year. Separate and nonuniform rates and costs per ton or volume of solid waste may be established by the Board of Commissioners for solid waste management or disposal services for nonmember municipalities and their residents. Planning costs shall be apportioned among the member municipalities on the basis of the estimated or actual annual tonnage or volume of solid waste generated by each member municipality. Should it be possible to generate a surplus from user fees and revenues the Board of Commissioners may reimburse member municipalities on an equitable basis for any assessments, or portions thereof, previously paid to the District.

SECTION 6. ASSESSMENT

The treasurer of the District shall immediately notify the treasurer of each member municipality of the amount of that municipality's assessment and the member municipality shall add such assessment to its own budget and shall assess such tax as is necessary to raise the amount of the assessment. The amount of the assessment in each member municipality shall be paid to the treasurer of the District in accordance with the schedule of payments adopted by the Board. If any member municipality shall fail to pay when due any assessment against it by the District, it shall incur the maximum penalty allowed by law plus interest at the rate set by the Board. Such penalty and interest, together with the amount due, court costs, and reasonable attorneys fees of the District may be recovered by the District in a civil action under this section, notwithstanding the availability of any other remedy available to the District. Prior to the commencement of any new fiscal year, the Board of Commissioners shall determine by resolution, the interest rate for that fiscal year, which in no case shall exceed one and one-half percent per month.

SECTION 7. LIMITATIONS OF APPROPRIATIONS

Actions or resolutions of the Board of Commissioners for the annual appropriations of any year shall not cease to be operative at the end of the fiscal year for which they were adopted, except as otherwise provided by the laws of the State of Vermont. Appropriations made by the Board of Commissioners for the various estimates of the budget shall be expended only for such estimates, but by majority vote of the Board of Commissioners the budget may be amended from time to time to transfer funds between or among such estimates, except as otherwise limited herein. Any balance left

or unencumbered in any such budget estimate, or the amount of any deficit at the end of the fiscal year, shall be included in and paid out of the operating budget and appropriations in the next fiscal year.

SECTION 8. INDEBTEDNESS: SHORT-TERM BORROWING

The Board of Commissioners may borrow money through the issuance of notes of the District in an amount not to exceed 25 percent of the Districts current operating budget, for the purpose of paying current expenses of the District. Such notes must mature within one year. The Board of Commissioners may also borrow money in anticipation of grants-in-aid from any source and any revenues other than assessments, in an amount not to exceed 50 percent of such grants or revenues, through the issuance of notes of the District. Such notes must mature within one year, but may be renewed as provided by general law; provided, however, that such notes may not be renewed more than once or for a term in excess of two years from the date of the original loan without the approval of a majority of the voters of the District. The Board of Commissioners may also borrow money in anticipation of assessments to each member municipality in an amount not to exceed 90 percent of the amount assessed for each year, and may issue notes of the District which must mature within one year. The Board of Commissioners 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.

SECTION 9. LONG-TERM INDEBTEDNESS: LONG-TERM CONTRACTS

(a) SUBMISSION TO VOTERS. On a petition signed by at least five percent of the voters of the District at the last general election, 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 of Commissioners to the voters thereof at a special meeting to be held for that purpose. In the alternative, when the Board of Commissioners, at a regular or special meeting of the Board of Commissioners called for such purpose, shall determine by resolution passed by a vote of the Board, 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 qualified 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 Vermont Statutes Annotated, or any other applicable statutes for any purpose for which the District is organized. The Board of Commissioners may not submit to the voters more than twice in any twelve month period 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 Commissioners, shall determine.

(b) WARNINGS OF MEETING. The warning calling the 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 fix the place where and the date on which the meeting shall be held and the hours of opening and closing the polls. The Board of Commissioners, in cooperation with the board of civil authority of each member municipality, shall determine the number and location of polling places; provided, however, that there shall be at least one polling place in each member municipality.

(c) NOTICE OF MEETING. The Secretary 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 two public places within each member municipality, and in or near the office of the clerk of the municipality, at least thirty and not more than forty days before the meeting and be filed with the clerk of each member municipality and the Secretary of the District prior to posting. The notice shall also be mailed by certified mail to the Chairperson of the Legislative body of each member municipality.

(d) AUTHORIZATION. When a majority of all the voters present and voting on the question from all the member municipalities at such special meeting vote to authorize the issuance of bonds or other evidence of indebtedness, or entry into a long-term contract, the District shall be authorized to issue bonds or other evidence of indebtedness as provided in 24 V.S.A. Chapter 53 or other applicable statutes. The ballots cast in each member municipality shall be counted by the election officials of each member municipality, preserved and secured with the checklist, and thereafter the results shall be certified to the District Secretary within 48 hours. The provisions of Title 17, Vermont Statutes Annotated shall apply to any District meeting called pursuant to this Section.

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 Commissioners, 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 Commissioners, 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.

(e) ASSESSMENT. The cost of debt service, or of payments under a long-term contract, shall be allocated among the member municipalities unless otherwise provided in the vote authorizing the same, except as otherwise provided in this Agreement, the applicable provisions of Chapter 53 of Title 24 Vermont Statutes Annotated, 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 of Commissioners 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 or indebtedness and long-term contracts shall be signed by the Treasurer and Chairperson of the Board of Commissioners of the District.

(f) 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.

(g) 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 there from, and all fees, charges, funds, revenues, income and other moneys 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.

(h) 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.

(i) 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.

(j) 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 10. SINKING FUND

The Board of Commissioners may establish 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 11. CAPITAL RESERVE FUND

The Board of Commissioners may establish and provide for a capital reserve fund to pay for public improvements, replacement of worn-out buildings and equipment, and planned and unplanned major repairs of a management facility, in furtherance of the purpose for which the District was created. 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 12. MANAGEMENT FEES

Giving due consideration to the fact that state policy, as established in 10 V.S.A. S 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 of Commissioners shall from time to time establish and adjust a management fee structure (tipping fee) for the purpose of generating revenues from sources other than assessments to member municipalities, particularly concerning the operation and maintenance of any District solid waste management or resource recovery facility. Once the District has a disposal facility, it will rely primarily on tipping fees for revenues, and shall work with the Members to implement those fees.

SECTION 13. DEFINITIONS

As used in this Article or elsewhere in the agreement "planning costs" shall mean all expenses incurred by the District in the preparation of the solid waste management

master plan or revisions thereto such as the costs of investigations and studies. "Solid waste management costs" shall mean all expenses incurred by the District in implementing any policies set forth in the master plan or in furtherance of the District's purposes, including capital expenditures.

ARTICLE V SPECIAL DISTRICT MEETING

SECTION 1. SPECIAL MEETINGS

The Board of Commissioners may call a special meeting of the District when it deems it necessary or prudent to do so and shall call a special meeting of the District when action by the voters of the District is necessary under this Agreement or under any applicable law. In addition, the Board of Commissioners shall call a special meeting of the District if petitioned to do so by not less than five percent of the legal voters of the District. The Board of Commissioners may rescind the call of a special meeting called by them but not a special meeting called on application of five percent of the legal voters of the District.

SECTION 2. PLACES OF MEETINGS

At any special meeting of the District, voters of each member municipality shall cast their ballots at such polling places within the municipality of their residence as shall be determined by the Board of Commissioners of the District in cooperation with the board of civil authority of each member municipality.

SECTION 3. PUBLIC HEARINGS

Not less than three nor more than fourteen days prior to any special meeting called by the Board of Commissioners at least one public hearing shall be held by the Board of Commissioner at which time the issues under consideration shall be presented and comments received. Notice of such public hearing shall include the publication of a warning on a newspaper 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 not less than five nor more than ten days before the public hearing.

SECTION 4. WARNINGS REQUIRED

The Board of Commissioners of the District shall warn a special meeting of the District by filing a notice with the town clerk of each member municipality and by posting a notice in at least two public places in each municipality in the District, and in or near the office of the clerk of each municipality, not less than thirty nor more than forty days before the meeting. In addition, the warning shall be published in a newspaper 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 a number of the Board of Commissioners equal to a majority of the total votes entitled to be cast and shall be filed with the District Secretary before being posted.

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 business to be transacted and the questions to be voted upon. The warning also shall contain any article requested by petition signed by not less than five percent of the voters of the District and filed with the District Secretary not less than forty days before the date of any District meeting.

SECTION 7. AUSTRALIAN BALLOT

The Australian Ballot system shall be used at all special meetings of the District when voting is to take place.

SECTION 8. QUALIFICATIONS AND REGISTRATION OF VOTERS

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

SECTION 9. CONDUCT OF MEETING

At all special meetings of the District, the provisions of 17 V.S.A. Chapter 51 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), recounts and contest of elections (Subchapter 9), and jurisdiction of courts (Subchapter 10), shall apply except where clearly inapplicable. The District Secretary shall perform the functions assigned to the Secretary of State under that chapter. The Chittenden Superior Court shall have jurisdiction over petitions for recounts. Election expenses shall be borne by the District.

SECTION 10. RECONSIDERATION RESCISSION OF VOTE

(a) A question considered or voted on at any special meeting of the District shall not be submitted to the voters for reconsideration or rescission, except at a subsequent special meeting duly warned for that purpose, and called by the Board of Commissioners 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 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 Commissioners of the District

within 30 days following the date of that meeting, the Board of Commissioners shall provide for a vote by the District in accordance with the petition within 60 days of the submission at a special meeting duly warned for that purpose.

(c) A vote taken at 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 or considered shall not be presented for reconsideration or rescission at more than one subsequent meeting except with the approval of the Board of Commissioners.

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, the omission or noncompliance, if the meeting and the business transacted at it is otherwise legal and within the scope of the District powers, 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 the action taken at the meeting of this 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 an original 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 Commissioners of the District by a vote of two-thirds of all the votes entitled to be cast at a regular meeting or a special meeting called for that purpose stating that the defect was the result of an oversight, inadvertence or mistake. When an error or omission of this nature has been thus 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 initially complied with upon condition, however, that the original action thereby corrected by the Board of Commissioners was in compliance with the legal exercise of its corporate powers.

SECTION 12. PRIORITY

When a special meeting of the District is called to act upon a proposition to incur bonded or other indebtedness, the special meeting procedures outlined in Article IV shall control over the meeting procedures outlined in Article IV shall control over the meeting procedures outlined in this article in the event of conflict.

ARTICLE VI

MISCELLANEOUS

SECTION 1. INDEMNIFICATION; CONTRIBUTION

(a) The District agrees that it shall protect, indemnify and hold harmless each member municipality (except a member municipality found to be at fault) and its respective officials, officers, members, employees, and agents, from and against all liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, action or proceedings, and attorney fees, and further agrees to defend the indemnified party in any suit, action or proceedings, and attorneys fees and further agrees to defend the indemnified party in any suit, action or proceeding, with respect to any act by or default of the District arising out of the location and operation of a District waste disposal facility or the negligent conduct of any District activities.

(b) Any member municipality which operates or maintains, or has operated or maintained, a facility or facilities for the disposal of solid or hazardous waste (except a facility the operation or maintenance of which is, pursuant to express written authorization of the Board of Commissioners, conducted for the District) agrees that it shall protect, indemnify, and hold harmless the District and each other member municipality (except a member municipality found to be at fault) and their respective officials officers, members, employees, and agents from and against ail liabilities, damages, claims, demands, judgments, losses, costs, expenses, suits, actions, or proceedings, and attorneys fees, and further agrees to defend he indemnified parties in any suit, action or other proceeding, with respect to any act by or default of such municipality arising out of its operation and/or maintenance of such facility.

(c) It is expressly agreed and understood by the District and the member municipalities that by entering into this agreement and forming the Chittenden Regional Solid Waste Management District, neither the District nor any member municipality has accepted or assumed any responsibility or liability for the past, present, or future operation or maintenance of any solid or hazardous waste disposal facility located within the District or operated by any member municipality, except a facility the operation or maintenance of which is, pursuant to express written authorization of the Board of Commissioners, conducted for or on behalf of the District.

(d) In the event the District is unable to meet any obligation with regard to which the member municipalities are jointly liable, each member municipality shall contribute its proportionate share of such obligations which are paid by the District to insure that all member municipalities share financial responsibility for these obligations in an amount proportionate to the actual or estimated tonnage or volume of solid waste generated by that municipality as determined by the District Board of Commissioners pursuant to Article IV, Section 5 of this Agreement.

SECTION 2. TERMINATION OF MEMBERSHIP

A member municipality may terminate its membership in the District after the expiration of one year from the date it became a member by a majority of its voters at a duly warned annual or special meeting voting for such a termination. At such annual or special meeting, a majority of the municipality's voters must also approve the terms and conditions of the Agreement for withdrawal required pursuant to clause (B) of this Section. Such duly warned meeting must be held no less than 30 days after notice of

intent to withdraw has been given to the Board of Commissioners. Said notice shall be in writing and delivered to the Board by certified mail, return receipt requested. The termination shall take effect immediately upon the following actions being carried out:

(A) A certification of the termination vote by the Clerk of the terminating municipality must be delivered by certified mail, return receipt requested, to the Secretary of the District.

(B) The terminating municipality must sign a written agreement with the District to pay, as applicable:

(1) its share of any financial obligations incurred by the District up to the point of termination;

(2) its share of all existing indebtedness incurred by the District, and obligations under long-term contracts, at the time its termination becomes effective, including its share of the debt or obligations incurred by the District for the remaining bonding term or contract term; and

(3) any direct, incidental, and consequential costs resulting from its withdrawal including without limitation, fixed operational costs, and costs of redesigning, relocating, or rebuilding a facility.

SECTION 3. ADMISSION OF NEW MEMBERS

Municipalities which are not initial members of the District may, upon the requisite approval by its voters as set forth below and the approval of the Board of Commissioners, become a member of the District. The legislative branch of any nonmember municipality which desires to be admitted to the District shall make application for admission to the Board of Commissioners. The Board of Commissioners may, in its sole discretion, determine the terms and conditions of admission, which terms and conditions shall be in the best interests of the District. If a majority of the voters of the petitioning municipality present and voting at an annual or special meeting of such municipality duly warned for such purpose shall vote to approve this Agreement and the terms and conditions for admission, the vote shall be certified by the clerk of that municipality to the Secretary of the District. Thereafter, the Board may, by resolution, admit such municipality upon finding that such terms and conditions have been or will be satisfied. Immediately upon joining the District, the new member municipality shall appoint a commissioner and alternate commissioner as provided in Article II.

SECTION 4. DISSOLUTION OF DISTRICT

The District may be dissolved upon approval of a majority plus one of its then existing member municipalities. A majority of the voters at a duly warned annual or special meeting in at least a majority plus one of the member municipalities, must approve the

dissolution and a plan of dissolution which shall include provisions for the payment of all District obligations, a disposal of District assets and the means of apportioning continuing liabilities among the member municipalities. The dissolution plan, prior to submission of the voters, must be submitted to the Attorney General of the State of Vermont to determine whether the plan is in proper form and compatible with the laws of the State. In the event the Attorney General fails to notify the District of his or her determination within 30 days after receipt of a copy of the dissolution plan it shall be deemed to have been approved.

SECTION 5. ANNUAL REPORT

The District shall prepare an annual report of its activities including a financial statement, and submit the report no later than February first of each year to the legislative bodies of its member municipalities.

SECTION 6. MASTER PLAN

Prior to considering the adoption of a proposed solid waste management plan or an amendment thereto, the Board of Commissioners shall conduct at least one public hearing within the District on the proposed plan or amendment. The hearing shall be warned by the publication of a notice in a newspaper of general circulation in each member municipality at least 15 days prior to the hearing, and by sending a copy of the notice by certified mail, return receipt requested, at least 15 days prior to the hearing, to the legislative body of each member municipality.

SECTION 7. SEVERABILITY

Should any court of competent jurisdiction judge any 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, enforceability of the Agreement as a whole or any other part of this Agreement.

SECTION 8. AMENDMENT

Any proposed amendment to this agreement must be adopted by a vote of the Board of Commissioners of at least two-thirds of the votes then eligible to be cast. Upon approval by the Board of Commissioners, the amendment shall be submitted to the legislative bodies of the respective member municipalities. A majority of the legislative bodies of the member municipalities must likewise approve any proposed amendment. Upon such approvals the amendment shall be submitted and acted on by the general assembly in accordance with the provisions of section 2645 of Title 17, Vermont Statutes Annotated. The amendment shall become effective upon affirmative enactment of the proposal, either as proposed or as amended by the general assembly.

For the purposes of this Section, the District agreement shall be considered a municipal charter.

SECTION 9. TRANSFER OF RIGHTS

No member municipality may sell its allocation, capacity, or rights, or any part thereof, in the District to any other party without the approval of at least two-thirds of the total votes then eligible to be cast of the Board of Commissioners.