

PROPOSED
CONSOLIDATION AGREEMENT

This Agreement, is made this ____ day of _____, 2021, by and between the CANANDAIGUA CONSOLIDATED WATER DISTRICT ("Consolidated Water District") a Special Water District duly formed by the Town of Canandaigua Town Board ("Town Board"), with offices at 5440 Routes 5 & 20 West, Canandaigua, NY 14424, and the CRAMER ROAD WATER DISTRICT EXTENSION TO THE CANANDIAGUA CONSOLIDATED WATER DISTRICT ("Cramer Extension"), also a Special Water District duly formed by the Town Board and also with offices at 5440 Routes 5 & 20 West, Canandaigua, NY 14424

WHEREAS, this Consolidation Agreement seeks to consolidate the Cramer Extension into the existing Consolidated Water District; and

WHEREAS, New York General Municipal Law Article 17-A provides for the consolidation of two or more local government entities if together the consolidated local government entity forms a local government entity of a kind or class that is authorized under the laws of the State of New York; and

WHEREAS, the Town Board has the overall authority for managing the operation, maintenance, and finances of each Special Water District serving the Town of Canandaigua ("Town"); and

WHEREAS, after review and deliberation, the Town Board has determined that it is in the best interests of the Town to consolidate the above Special Water Districts to provide long-term, safe, and reliable water supply for all customers in those districts, to maintain stability, and to reduce administrative and operational costs wherever possible; it has therefore directed the preparation of this Consolidation Agreement; and

WHEREAS, the proposed water district consolidation will not result in any additional costs or debts to the district residents.

NOW THEREFORE, the Town Board, acting jointly as the governing body of the Special Water Districts, sets forth the following terms which constitute the Consolidation Agreement between the Consolidated Water District and the Cramer Extension as required by GMU Article 17-A:

1. Name of Each Entity to Be Consolidated: The name of each local government entity to be consolidated is as set forth above.

2. Name of Proposed Consolidated Entity: The Cramer Extension is to be consolidated into the existing Canandaigua Consolidated Water District and thus the name of the consolidated entity will be the Canandaigua Consolidated Water District (the post-consolidation Canandaigua Consolidated Water District is referred to herein as the "Consolidated Entity").

3. Rights, Duties and Obligations of the Proposed Consolidated Entity: The rights, duties and obligations of the proposed Consolidated Entity will be the same as those for the current Canandaigua Consolidated Water District (as more specifically set forth in NY Town Law), except that those rights, duties and obligations will now also apply to a larger area which is to include the area of the Water District Extension. Those rights, duties and obligations include providing long-term, safe, reliable and economical water supply to the customers served. This is accomplished by, among other things: (1) establishing standards for the addition, upgrade and maintenance of water infrastructure; (2) approving and overseeing construction of new water infrastructure by third parties; (3) managing contracts to replace and upgrade existing water infrastructure; (4) overseeing/performing maintenance on existing facilities; (5) monitoring the condition of water infrastructure; (6) establishing priorities and budget estimates for water infrastructure improvements; (7) ensuring compliance with environmental regulations and permits; (8) developing the district's operating and capital budget; and (9) coordinating budget development with the Town's capital and operating budget.

4. Boundaries of the Consolidated Entity: The boundaries of the Consolidated Entity shall be the same as the current boundaries of the Canandaigua Consolidated Water District (which boundaries are available for public inspection at the Canandaigua Town Clerk's Office), except as expanded by the addition of the Water District Extension.

5. The precise boundaries are available for public inspection at the Canandaigua Town Clerk's Office.

6. Type of the Consolidated Entity: The Consolidated Entity will be a Town Water District.

7. Each Entity's Assets: The Canandaigua Consolidated Water District's assets consist of underground infrastructure piping, water mains, fire hydrants, pump stations, miscellaneous facilities including air relief valves, pressure reducing valves and backflow protection devices and equipment used to maintain the system. Detailed infrastructure information is available for public inspection at the Canandaigua Town Clerk's Office.

8. Each Entity's Liabilities: The Canandaigua Consolidated Water District has no debt. The Water District Extensions will have no debt prior to the consolidation. No new debt is to be incurred by the consolidation.

9. Terms for the Disposition of Existing Assets, Debt and Liabilities: All assets of the Canandaigua Consolidated Water District and the Water District Extension will become assets of the Consolidated Entity. Any existing debt of each water district will become the debt of the Consolidated Entity.

10.Administration of Laws: The Town Code regarding Water Districts and the New York State Law regarding Waters Districts will be applied against the Consolidated Entity as a single Town of Canandaigua Water District (which will be comprised wholly of the existing Canandaigua Consolidated Water District and the former Water District Extension). Local Laws, Ordinances, Resolutions and Orders affecting the Consolidated Entity would continue to be administered and enforced by the Town of Canandaigua Water Superintendent and/or the Town's Code Enforcement Officer.

11.Effective Date: This consolidation shall be effective immediately upon the completion of the procedures for effecting this consolidation under General Municipal Law Article 17-A.

12.Time and Place for Public Hearing: Pursuant to Article 17-A of the General Municipal Law, the Town Board of the Town of Canandaigua, shall meet at the Town Hall, 5440 Route 5 & 20 West, Canandaigua, NY 14424 on _____, 2021, at ____ p.m. for the purpose of conducting a public hearing on the proposal to consolidate the Canandaigua Consolidated Water District with the Water District Extensions, at which time and place all persons interested in the subject thereof may be heard concerning the same.

IN WITNESS WHEREOF, the parties herein have executed this Proposed Joint Consolidation Agreement as of the date first written above.

CANANDAIGUA CONSOLIDATED WATER DISTRICT

By: _____
Doug Finch, Town Manager

CRAMER ROAD WATER DISTRICT EXTENSION TO
THE CANANDAIGUA CONSOLIDATED WATER DISTRICT

By: _____
Doug Finch, Town Manager