

RESOLUTION NO. 2020-38

A Resolution authorizing the Town of Mills Wyoming to take certain actions in regard to the Wardwell Water and Sewer District to facilitate the dissolution of the Wardwell Water and Sewer District and to assume operation of the Wardwell Water and Sewer District's system.

WHEREAS, the Town of Bar Nunn Wyoming and the Town of Mills Wyoming have both, through duly authorized resolutions, formed a joint committee (hereinafter "Joint Committee") to undertake the study of the Wardwell Water and Sewer District's provision of water to certain areas of Bar Nunn Wyoming and Mills Wyoming; and

WHEREAS, said committee has met and conferred and made certain initial findings which are reflected in the form the text of this Ordinance; and

WHEREAS, the Wardwell Water and Sewer District is a water and sewer district which was organized under the laws of the State of Wyoming and more particularly under those provisions which were then found at 41-479.1 through 41.479.51 Wyoming Statutes 1957, having had its petition for formation filed on October 13, 1969; and

WHEREAS, the Town of Mills Wyoming is a municipal corporation located in Natrona County, Wyoming which is duly organized under the laws of the State of Wyoming and which has existed under Wyoming's law since 1921; and

WHEREAS, the Town of Bar Nunn is a municipal corporation located in Natrona County, Wyoming which is duly organized under the laws of the State of Wyoming and which has existed under Wyoming's law since 1982; and

WHEREAS, all of the water service for the Town of Bar Nunn is provided by the Wardwell Water and Sewer District; and

WHEREAS, some of the water service for certain neighborhoods in the northern most areas of the Town of Mills are provided by the Wardwell Water and Sewer District; and

WHEREAS, the current laws of the State of Wyoming pertaining to Water and Sewer Districts are found at WS 41-10-101 et seq; and

WHEREAS, WS 41-10-102 provides that a Water and Sewer District may only include unincorporated lands and that no lands within a city or town shall be included in any district without the written consent of the governing body of the town or city, or as more particularly set out in the aforementioned statute:

41-10-102. Lands included in district.

(a) A district may include all or a portion of the unincorporated area in a county in the state of Wyoming.

(b) No lands included in any city or town shall be included in any district without the written consent of the governing body of the city or town.

and;

WHEREAS, WS 41-10-102 further provides that no area within a water and sewer district should be annexed into a town and that the County Commissioners are fully authorized to dissolve a water and sewer district so that an area may be annexed into a town or city, or as more particularly set out in the aforementioned statute:

(e) No area within a district may be annexed to a city or town, but nothing herein contained shall be construed as preventing the dissolution of a district or the exclusion therefrom of any land therein as herein authorized for the purpose of permitting such an annexation, or as prohibiting an annexation in accordance with the provisions of W.S. 41-10-152 through 41-10-157.

and;

WHEREAS, a municipality may annex an area served may be annexed by a municipality and the municipality may assume operation of its services, as more particularly set out below:

41-10-152. City or town may annex areas within sewer or water district.

Any city or town may annex areas to its corporate limits in accordance with the statutes governing annexation of territories to cities and towns which territories fall within existing water, sewer, or water and sewer districts, hereinafter referred to as "districts", whether singular or plural.

41-10-153. Obligations and authority remain with district.

Upon the annexation of such territory the securities of the district, including but not limited to short-term notes, general obligation bonds and other like securities, revenue bonds and other like securities, special assessment bonds and other like securities shall remain the obligations of the districts and the districts shall remain in possession, ownership and operation of its equipment, plant and facilities. The subscribers of the services of such district shall continue to be served by the districts. The taxing power and authority of the districts shall continue and shall be in addition to any taxing authority of the annexing city or town. A properly filed map showing the overlapping authorities shall be deemed compliant with the provisions of W.S. 39-13-102(p).

41-10-154. Administration may be transferred to city or town by agreement.

Concurrently with the annexation of such territory the city or town and districts may by agreement provide that the administration of any outstanding indebtedness of the district may be taken over by the city or town but neither the city or town nor any agent or employee thereof shall be liable for the payment of the indebtedness. The city or town and districts may further provide that the city or town may take over the operation and management of the plant facilities or equipment of the district, the operation, maintenance and expense of operations to be paid for out of revenue derived by the districts.

41-10-155. Obligation to provide services remains with district; limitation.

The territory and inhabitants of the annexed area have all rights, privileges and duties set forth in W.S. 15-1-410 except the city or town shall have no obligation to furnish water or sewerage services to the inhabitants and annexed area. The duty to provide water or sewerage services and facilities to the territory shall remain the obligation of the district until such time as the plant facility and equipment of the districts have been acquired by the city.

WHEREAS, as the time of its formation, none of the lands within the Town of Mills were included within the boundaries of the Wardwell Water and Sewer District; and

WHEREAS, all water service provided to the Town of Mills by the Wardwell Water and Sewer District were allowed to continue by the Town of Mills in areas it annexed that were served by the Wardwell Water and Sewer District as a matter of accommodation; and

WHEREAS, at the time of the formation of the Town of Bar Nunn, the Wardwell Water and Sewer District was indebted to creditors which precluded the Wardwell Water and Sewer District from transferring its water system that was located within the Town of Bar Nunn to Bar Nunn and which likewise precluded the Town of Bar Nunn from coming into existence while incorporating the indebted infrastructure of the Wardwell Water and Sewer District; and

WHEREAS, expansion of the municipal boundaries of the Town of Mills and the Town of Bar Nunn have caused the majority of the water service provided by the Wardwell Water and Sewer District to fall within the municipal boundaries of the Town of Bar Nunn and the Town of Mills; and

WHEREAS, the Wardwell Water and Sewer District's operation of its system within the Town of Bar Nunn and within the Town of Mills has become problematic for the municipalities and their residents in that:

- a. Tap fees for the Wardwell Water and Sewer District are prohibitively high and grossly exceed that for the Town of Mills on its own system as well as for those individuals who are provided service in Natrona County by the City of Casper, Wyoming and the Town of Evansville, Wyoming. The Tap fees are a detriment to residential and commercial growth within the Town of Bar Nunn and the Town of Mills.

- b. The Wardwell Water and Sewer District's infrastructure has fallen into disrepair in such that while the Wardwell Water and Sewer District has several water tanks that it owns only one of those is currently providing water for its entire system.
- c. The state of disrepair of the Wardwell Water and Sewer District's infrastructure is such that it constitutes an inconvenience for its customers in the Town of Bar Nunn and the Town of Mills and, further, it constitutes a public safety concern given its questionable ability to provide adequate water in the event of emergencies.
- d. The electoral, managerial and operational practices of the Wardwell Water and Sewer District appear to be irregular to the Towns of Bar Nunn and Mills Wyoming which is a matter of concern to the municipalities in regard to the powers exercised by the Wardwell Water and Sewer District within their boundaries.
- e. The Wardwell Water & Sewer District is undertaking actions that have expanded from water delivery into municipal services which are more properly provided by municipalities and which will impede upon the proper functions of the bordering municipalities

and;

WHEREAS, the Joint Committee is of the opinion that the Wardwell Water and Sewer District system that falls within the municipal boundaries of the Town of Bar Nunn and the Town of Mills would be better and more efficiently operated by the Town of Bar Nunn and the Town of Mills, either individually or through a Joint Powers Board; and

WHEREAS, the Joint Committee is of the view that the entire Wardwell Water and Sewer District's customers, the majority of whom are residents of the Town of Bar Nunn and many of whom are residents of the Town of Mills would be better and more safely served by the respective communities operating the water system in which they are located and, to the extent that they are not so located, the bordering municipalities will provide for the same; and

WHEREAS, WS 22-29-401 through 22-29-408 provide that the Natrona County Commissioners may dissolve a Water and Sewer District, setting forth more particularly:

22-29-401. Dissolution procedure.

(a) Dissolution of a district may be initiated:

- (i) By a petition signed by not less than twenty-five percent (25%) of the voters owning not less than twenty-five percent (25%) of the assessed valuation of property within the district, requesting dissolution of the district, filed with the county commissioners. The petition process shall be governed by W.S. 22-29-105 through 22-29-108;

(ii) By resolution of the district directors filed with the county commissioners when the district directors determine that it is in the best interest of the inhabitants of the district that the district be dissolved and liquidated;

(iii) By resolution of the county commissioners if:

(A) Either:

(I) The district at the time of the regular district election has not elected district directors as required by the principal act; or

(II) The territory within the district is uninhabited; and

(b) The county commissioners determine that it is in the best interest of the people of the county that the district be dissolved and liquidated.

(iv) Within five (5) days after a petition is filed or a resolution of a county commission is adopted under this section, a copy shall be filed with the district secretary, if any, or with any other district officer who can with reasonable diligence be located;

(v) If there are no qualified district director members, the county commissioners shall act as or appoint a board of trustees to act in behalf of the district.

(c) Dissolution of a district shall be initiated by resolution of the board of county commissioners if the director of the department of audit has notified the board of county commissioners of the district's failure to comply with the reporting requirements of W.S. 9-1-507, and the district has failed to comply with W.S. 9-1-507(a)(vii) by December 30 of that same calendar year. The board of county commissioners shall declare the board of directors vacant under W.S. 22-29-201, and shall fill the board by appointment under W.S. 22-29-202 for the purpose of dissolving the district.

and

WHEREAS, the Joint Committee has recommended that the towns authorize a petition be circulated within the boundaries of the Town of Mills and the Town of Bar Nunn to dissolve the Wardwell Water and Sewer District and further provide that, upon its dissolution, that the system operated by the Wardwell Water and Sewer District be taken over by the Town of Bar Nunn and the Town of Mills which may elect to operate the same jointly through a joint powers board; and

NOW, THEREFORE BE IT RESOLVED BY THE GOVERNING BODY OF THE TOWN OF MILLS, WYOMING THROUGH ITS DULY ELECTED TOWN COUNCIL, THE FOLLOWING:

1. The Town of Mills Wyoming and the Town of Bar Nunn Wyoming shall jointly seek to appear in a Work Session before the Natrona County Commissioners to present their desire

and request that the Towns shall assume operation of the water systems presently operated by Wardwell which fall within their municipal boundaries together with those neighboring areas that are not located within the Towns.

2. The Town of Bar Nunn and the Town of Mills shall approach the Wardwell Water and Sewer District, with Natrona County or without it, with a proposal to assume operation of the system presently operated by the Wardwell Water and Sewer District such that said system shall be transferred to the municipalities within which said systems are located and, where they fall outside of said municipal boundaries, said systems be jointly transferred to the Town of Bar Nunn and the Town of Mills, Wyoming.

3. The Towns of Bar Nunn and Mills shall prepare and circulate a petition to be circulated within the boundaries of the Wardwell Water and Sewer District which shall specifically seek and note the following:

- a. The Wardwell Water and Sewer District shall be dissolved.
- b. The Town of Mills and the Town of Bar Nunn shall take over the ownership and operation of the water and sewer systems provided by the Wardwell Water and Sewer District within their respective boundaries and shall jointly own any portion of those systems which fall outside of their municipal boundaries with the further understanding that those areas which fall outside of their municipal boundaries shall be transferred to the municipality which includes that area within its growth boundary.

PASSED, ADOPTED AND APPROVED on this _____ day of _____, 2020.

Seth Coleman, Mayor

Sara McCarthy, Council

Darla R. Ives, Council

James Hollander, Council

Ronald Wales, Council

ATTESTED:

Christine Trumbull, Town Clerk