

SHERIDAN AREA WATER SUPPLY JOINT POWERS BOARD DISSOLUTION AGREEMENT

WHEREAS, by agreement dated June 3, 1988, the City of Sheridan, Wyoming and Sheridan County, Wyoming, as Participating Agencies, pursuant to W.S. 16-1-102 through W.S. 16-1-109, established the Sheridan Area Water Supply Joint Powers Board (SAWSJPB); and

WHEREAS, the Participating Agencies have determined that it is now in the best interest of the public that the SAWSJPB be dissolved, subject to the terms and conditions of this Dissolution Agreement;

NOW THEREFORE, the Participating Agencies enter into this Dissolution Agreement to effectuate the transition of ownership of assets and operation of the water utility system from SAWSJPB to the City of Sheridan in accordance with the following:

Section 1. The SAWSJPB shall be dissolved effective April 1, 2024.

Section 2. Prior to the effective date of dissolution, the City of Sheridan shall pay to SAWSJPB the outstanding balance of its two loans:

- Loan per City Resolution No. 24-12 (dated September 4, 2012), with current balance of \$300,475.88.
- Loan for 20" Pipeline (dated December 12, 2008), with a current balance of \$381,823.11.

Section 3. Per Article XI, Section 2, of the June 3, 1988, Agreement, prior to the date of dissolution, SAWSJPB shall pay off all of its outstanding debts and obligations.

Section 4. Prior to the effective date of dissolution, all remaining funds held by SAWSJPB after paying off all its debts and obligations, shall be paid over to the City of Sheridan.

Section 5. The City of Sheridan shall hold the funds transferred from SAWSJPB is a separate account within the City's water utility fund for the exclusive purpose and support of service for the Sheridan County rural water users.. The term, "rural water users," when used in this Agreement, means those water users located within the Service Area but outside of the City's municipal boundary.

Section 6. Prior to the effective date of dissolution, all physical assets, water rights, and any other non-cash assets held SAWSJPB shall be transferred by appropriately executed and recorded instruments of conveyance to the City of Sheridan.

Section 7. Upon the effective date of dissolution, the City of Sheridan shall be responsible for all administration, operation, and maintenance of the water utility service previously provided by SAWSJPB.

Section 8. Upon the effective date of dissolution, the “Rural Water Committee” (Committee), shall be created as allowed by W.S. 16-1-101 et. seq. which shall have the sole purposes of evaluating and approving proposed rate changes for Sheridan County rural water users as provided in Section 9 and to develop a master plan as provided in Section 10. The Committee shall consist of 5 member with 3 members from the Board of County Commissioners and 2 members from the City Governing Body. Meetings shall be open to the public and comply with all Wyoming open meeting laws.

Section 9. Rate adjustments are subject to. W.S. 15-7-602. The initial rate shall be based on financial analysis by a third-party consultant mutually selected by the City and County. If the Committee cannot agree on the initial rate, or the third-party analysis is not complete, the default initial rate shall be 125% of the city water rate. The County or the City may request a periodic financial analysis be performed. Upon action having been taken by the Committee, the decision will be sent to the City of Sheridan Governing Body for adoption.

Section 10. The Committee shall, in consultation with the County and City staff, periodically meet to develop and adopt a water master plan for the purposes fo rural growth, capital project needs and the proposed financing thereof. This authority shall not extend to capital projects of the City’s water utility system that happen to traverse areas outside of its municipal boundary but are constructed to serve only City water users. The rural master plan adopted by the Committee shall be submitted to the City of Sheridan Governing Body and Sheridan Board of County Commissioners for adoption.

Section 11. As of the effective date of dissolution, all ancillary agreements between or among Sheridan County, the City of Sheridan, and SAWSJPB regarding ownership, administration, operation, maintenance shall become null and void.

Section 12. At all times, the Sheridan County Board of County Commissioners shall have the authority to hear complaints or concerns regarding water utility service from the users within the Service Area but outside of the City of Sheridan municipal boundary and to convey such to the City of Sheridan Utilities Department. All rural water users shall have the right to contest a City decision to the Wyoming Public Service Commision in accordance with W.S. 15-7-602(c).

Section 13. The City indemndifies and shall defend Sheridan County, being a SAWSJPB participating agency, from any and all claims and liabilities, known or unknown, against the SAWSJPB which were the result or cause of any action or inaction of the SAWSJPB and its administration. The City does not indemnify or provide any liability protection for any action or inaction which was committed solely by Sheridan County.

Section14. The City and County mutually agree to approve or execute any document, contract, assignment, or deed to effectuate the purpose of this Agreement.

Dated this _____ day of _____, 2023

SHERIDAN COUNTY

Sheridan County Board of County Commissioners
Christi Haswell, Chairwoman

Attest: Sheridan County Clerk,
Eda Schunk Thompson

Dated this _____ day of _____, 2023

CITY OF SHERIDAN

City of Sheridan Mayor, Richard Bridger

Attest: City of Sheridan Clerk,
Cecilia Good