

**PROPOSED DISSOLUTION PLAN FOR
THE AURORA CONSOLIDATED WATER DISTRICT
IN THE TOWN OF AURORA, COUNTY OF ERIE, STATE OF NEW YORK**

This plan is for the dissolution of the Aurora Consolidated Water District of the Town of Aurora (the “CWD”) pursuant to Article 17-A Title 3 of the New York General Municipal Law and Section 198 of the New York Town Law.

The CWD was created by Resolution of the Aurora Town Board following a Public Hearing held on January 14, 2019. The action consolidated fourteen Water Districts, eight Extensions and two Water Improvement Areas into a single Special Water Improvement District for the improvement of water system facilities and the provision of water service to properties in the CWD service area. Such water service has been provided to fifteen former districts through a Lease-Management arrangement with the Erie County Water Authority (the “ECWA”) and through a Lease-Management arrangement for one district with the Town of Elma.

The Town of Aurora is transitioning to a Direct Service arrangement with the ECWA which is expected to result in long-term savings to taxpayers within ECWA service area in the Town of Aurora.

All existing water facilities are currently in the name of the Town of Aurora. The dissolution of the CWA will result in those assets becoming assets of the Town of Aurora. The transfer of assets from CWD to the Town is a necessary step in the furtherance of the ultimate goal of transferring such assets to the ECWA. After the transfer to the Erie County Water Authority the Town will no longer have any obligations or responsibilities to maintain, repair, improve or oversee the water system property and facilities.

Proposed Dissolution Plan

Pursuant to Section 774 (2) of the New York General Municipal Law:

- (a) The name of the local government entity to be dissolved is the Aurora Consolidated Water District (the “CWD”).
- (b) The territorial boundaries of the CWD encompass all of the districts, extensions and the water improvement areas of the consolidation.
- (c) The CWD is a Water Improvement District created by the Town of Aurora (the “Town”) pursuant to the referenced New York General Municipal and Town Laws.
- (d) The estimated cost of the dissolution includes associated legal fees and publication costs for legal notices and is estimated to not exceed \$5,000.
- (e) The assets of the CWD consist of all the real property and personal property of the district.
- (f) The existing liabilities and indebtedness, bonded and otherwise, will continue to be a taxable property in the proposed acceptance by the Erie County Water Authority in the proposed Direct Service Agreement.
- (g) Under operation of law, the dissolution is required to be approved at a mandatory Referendum of the Electors of the district.
- (h) Residents of the CWD will continue to receive water service following the dissolution, including fifteen districts under a Lease-Management arrangement with the ECWA which may be transitioned to a Direct Service arrangement. The benefit of direct service is that the Town will no longer have any obligations or responsibilities to maintain, repair, improve or oversee the water system property and facilities, except for the annual payment for hydrant fees to the ECWA.
- (i) Upon the Town Board’s adoption of this Dissolution Plan (which is anticipated to take place on February 11, 2019), the CWD’s assets outlined in Exhibit B of this Dissolution Plan shall be transferred to the Town. Such assets could then be subject to sale and transfer to the ECWA pursuant to Town Law requiring an approval at a mandatory Referendum by the Electors of the CWD.
- (j) Existing liabilities and indebtedness will continue to be a charge on the taxable property within the CWD as provided by General Municipal Law.
- (k) The CWD does not have any local laws, ordinances, rules or regulations independent of the Town of Aurora.
- (l) There is no plan for the transfer of any public authorities presently serving the Consolidated Water District.

- (m) The Erie County Water Authority shall not enter into any Management Contract with, and shall not sell, lease or transfer the water system or any part thereof, to any other person or entity other than a state or local governmental unit.
- (n) The Dissolution Plan will become effective upon the approval of Electors of the CWD by mandatory Referendum.
- (o) The Town Board will hold a Public Hearing on the proposed dissolution of the CWD on March 11, 2019 at 7:00 p.m. at the Aurora Town Hall, 300 Gleed Avenue, East Aurora, New York.