DRAFT CHARTER

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Chapter 902: Mad River Valley LOT Community District

Subchapter 1: The Mad River Valley LOT Community District

§ 902-1. Purpose and composition

The Mad River Valley LOT Community District is a municipal corporation created to manage the MRV LOT fund for the towns of Fayston, Waitsfield, and Warren. Its purpose is to provide a sustainable source of funds to invest in the future of the Mad River Valley. The investment program shall be directed toward the physical, social, economic, fiscal, environmental, cultural, and aesthetic wellbeing of the member towns and their inhabitants.

§ 902-2. Term

The District shall continue perpetually.

§ 902-3. Powers

The District shall have all of the powers listed in 24 V.S.A. § 4866 (union municipal authorities) as the same presently exist, all of which powers are incorporated herein by reference.

The District shall also have the power:

(1) To distribute funds collected through the Local Option Tax, , and other revenues through a process of grants promoting Community Projects that serve the Mad River Valley, municipal projects that serve all three towns, and Destination Marketing.

(2) To sue and be sued.

(3) To enter into contracts for any term or duration.

(4) To adopt rules implementing the purposes of the District, subject to the requirements of 24 V.S.A. chapter 59 (adoption and enforcement of ordinances and rules), relating to the functions of the District.

(5) To establish reserve funds.

(6) To adopt an annual action plan and budget,

(7) To monitor all awards of funds.

(8) To conduct data collection and make recommendations on grant allocations.

(9) To undertake any other activities necessary or desirable to carry out its mandate.

(10) To exercise all powers incident to public corporations.

(11) To do all things set forth in or necessary to this chapter.

§ 902-4. Sovereign immunity

The District shall have the benefit of sovereign immunity to the same extent that a municipality of the State does. The District shall provide liability and other insurance for itself and the members of the Commission. The District shall hold harmless and indemnify all members of the Commission from all claims of every kind and nature arising out of or connected with duties as Commission Members, excepting only willful negligence and criminal conduct.

§ 902-5. District

All power of the District shall be exercised by the Commission.

§ 902-6. Composition

Each municipal member town of the District shall have two members on the Commission. Each commissioner shall be a resident of his or her municipality and registered to vote in municipal elections at the time of the member's appointment or election.

§ 902-7. Selection of Commission Members

(a) Commission Members. The municipal-appointed members shall serve terms of three years. Members shall be registered voters of their respective towns.

(b) Staggered terms. The selectboards for each member municipality shall initially appoint a commissioner for a two-year term and one for a three-year term. When the initial two- year term is ending, a successor shall be appointed for a full three-year term.

(c) Appointments. Annually, each member town’s selectboard shall make its appointment by the third week of March in the year in which the term of the preceding Commission Member for that member expires. The clerk of each member shall certify its appointment to the Secretary of the District.

(d) Oath of office. All Commission Members shall take an oath of office by members of selectboards of municipalities, as in 24 V.S.A. § 831. The oath shall be administered by the clerk of the Commission Member's municipality.

(e) The District shall pay Commission Members ,a stipend as set by agreement of member town selectboards.

§ 902-9. Organizational meeting

(a) Annually, on the third Thursday in March, the Commission shall hold its organizational meeting at a time and place designated by the Commission Chair.

(b) At the organization meeting, the Commission shall elect from among its membership a Chair and a Vice Chair, each of whom shall hold office for one year and until a successor is duly elected and qualified. For this election, each Commission Member present shall cast one vote except that no Commission Member shall be elected Chair for more than three consecutive terms unless Commission Members representing at least two-thirds of all votes entitled to be cast on behalf of all members and comprising at least two-thirds of all possible Commission Members (including vacancies) shall so vote.

§ 902-10. Regular meetings

A schedule of regular meetings of the Commission shall be established at its annual organizational meeting. The schedule shall be sent to the clerk of each member town for posting.

§ 902-11. Special meetings

(a) Special meetings of the Commission may be called at any time by the Chair and shall be called by the Secretary upon written request of a majority of the members of the Commission.

(b) Each Commission Member shall be given at least 24-hours' notice of any special meeting by telephone, written notice delivered personally, e-mail, fax, or regular mail. Commission Members waive the notice requirements if they attend the special meeting, unless attendance is for the sole purpose of protesting the holding of the meeting.

(c) No action may be taken at a special meeting which is not warned specifically in the notice.

§ 902-12. Quorum and rules

(a) To transact business, a majority of all Commission Members who are not all from the same member town shall be present and shall vote in favor of a motion for it to be effective. A Commission Member from each municipal member of the District must be present to establish a quorum. No proxies shall be allowed. A smaller number may adjourn to a later date provided notice is given to all members as if such adjourned meeting were a special meeting.

(b) To be effective, binding votes of the Commission shall require that at least one member from each town approve the action to be taken.

(c) All meetings of the Commission and its committees shall be governed by the small Commissions sections of the most recent edition of Robert's Rules.

§ 902-13. Vacancy

(a) A Commission member may resign at any time by notice to the Chair of the District. Notice shall also be given to the selectboard of the municipality represented.

(b) The Commission may declare, by written certification to the selectboard of a member town, a vacancy for the position of the Commission Member from that member town after the Commission Member has failed to attend three unexcused, consecutive meetings of the Commission within one year beginning in April and ending in March of the subsequent year.

(c) Upon resignation, death, certification of vacancy by the Commission, or removal from the municipality by a Commission Member, the selectboard of that member town shall appoint within 45 days a Commission Member for the remainder of the term of such Commission Member. The appointment shall be certified by the clerk of the member town to the Secretary of the District.

(d) Each vacancy or withdrawal of a member shall reduce the number of Commission Members needed to constitute a quorum or binding vote of the District.

§ 902-14. Officers

The officers of the District shall be the Chair and the Vice Chair of the Commission of Commission Members, the Secretary of the District, and the Treasurer of the District. There may also be an assistant secretary and an assistant treasurer.

§ 902-15. Chair

The Chair shall preside at all meetings of the Commission and shall make and sign all contracts on behalf of the District upon approval by the Commission. The Chair shall perform all the duties incident to the position and office.

§ 902-16. Vice Chair

The Vice Chair shall preside during the absence of the Chair or in the event the Chair elects not to preside. In either case, the Vice Chair shall have the same duties and District as the Chair.

§ 902-17. Secretary

(a) The Secretary of the District shall be elected by the Commission. The Secretary, with the approval of the Commission, may appoint an assistant secretary, who shall not be a Commission Member of the Commission.

(b) The Secretary shall have charge and custody of the public records of the District and the seal of the District.

(c) The Secretary shall record all votes and proceedings of the District, including meetings of the District and meetings of the Commission and shall cause to be posted and published all warnings of meetings of the District. The Secretary shall prepare all warnings of meetings of the District as required.

(d) Following approval by the Commission, the Secretary shall cause the annual report to be distributed to the selectboards of the member towns. The Secretary shall prepare and distribute any other reports required by laws of the State of Vermont and resolutions or rules of the Commission.

(e) The Secretary shall perform all the duties and functions incident to the office of secretary or secretary of a body politic and corporate.

§ 902-18. Treasurer

(a) The Treasurer of the District shall be elected by the Commission. The Treasurer, with the approval of the Commission, may appoint an assistant treasurer, who shall not be a Commission Member of the Commission.

(b) The Treasurer shall have the custody of the funds of the District and shall be the receiving and disbursing officer of the District. When authorized by the Commission of the District, 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.

§ 902-19. Open meetings and public records

The conduct of all meetings and the maintenance of all records of the District and the Commission shall be governed by the laws of this State relating to open meetings and accessibility of public records.

§ 902-20. Audit

The Commission shall cause an audit of its financial records to be performed annually by an independent professional accounting firm or a certified public accountant.

§ 902-21. Committees

The Commission shall have the power to establish any and all committees as it may deem necessary.

§ 902-22. Removal of officers and commission members

(a) An officer may be removed by a vote of a majority of the Commission whenever, in its judgment, the best interest of the District will be served.

(b) commission members appointed by selectboards may be removed by the body that appointed them, and new members appointed to replace them.

§ 902-23. Local Option Tax

 (a) Member towns shall approve a Local Options Tax at a duly-warned town meeting.

(b) This is a one percent sales tax, a one percent meals and alcoholic beverages tax, and a one percent rooms tax upon sales within the District which are subject to the State of Vermont tax on sales, meals, alcoholic beverages, and rooms, pursuant to 24 V.S.A. § 138.

(c) A tax imposed under the authority of this section shall be collected and administered by the Vermont Department of Taxes in accordance with State law governing the State tax on sales, meals, alcoholic beverages, and rooms. The amount of 70 percent of the taxes collected shall be paid to the member towns, and the remaining amount of the taxes collected shall be remitted to the State Treasurer for deposit in the Pilot Special Fund first established in Sec. 89 of No. 60 of the Acts of 1997.

(d) The cost of administration and collection of this tax shall be paid from the 30% of taxes collected by the State. The 70% allocated to the member towns shall be paid to the District on a quarterly basis and may be expended by the Commission for economic development, municipal and non-profit services only and not for education expenditures.

§ 902-24. Allocation of LOT funds

(a) Grant applications shall be chosen based on how well they meet specific criteria and the potential return for the Mad River Valley. Grants may be for multiple years with the provision for annual review. Some may have a fixed annual minimum allocation.

(b) Grants may be made to the following, ensuring the funds are spent in accordance with requests for said funds as presented to the MRV LOT Commission. The following areas of investment are given priority by the MRV LOT Commission:

* + 1. Housing
		2. Transportation
		3. Recreation
		4. Destination Marketing
		5. MRV LOT Reserve Fund (defined with process in MRV LOT Bylaws)

(c) Member Towns may request funds by submitting grant requests that indicate the request provides a benefit to the broader MRV Towns community.

(d) Any entities may submit requests for funds to the MRV LOT Commission subject to the provisions of the MRV LOT Bylaws

(e) Any unallocated funds in any year shall flow to the Reserve Fund.

§ 902-25. Fiscal year

The fiscal year of the District shall commence on July 1 and end on June 30 of each year.

§ 902-26. Withdrawal of a municipality

Any member town may withdraw from the agreed interlocal agreement after five years have elapsed since the Commission has become a body politic and corporate, in the following manner:

(a)(1) A member may vote to withdraw from this chapter in the same manner as it has voted to adopt the chapter, in accord with Section 4901 of Title 24.

(2) The membership of a withdrawing member shall terminate as of one year following a valid vote to withdraw or as soon after such one-year period as the financial obligations of the withdrawing member have been paid to the Commission, whichever is later in time.

(a)(1) The financial obligations of a withdrawing member shall include all Local Option Tax receipts collected and due up the date of withdrawal.

(2) The obligations shall also include an obligation to pay the withdrawing member’s share, based upon its assessment for the year in which it withdraws, of the defense costs and judgment rendered in any legal action brought against the Commission arising or accruing in any year during which it was a member of the Commission.

(3) The withdrawing member shall also pay its share, based upon its assessment for the year in which it withdraws, of all unbudgeted costs and expenses of the Commission arising out of the activities of the Commission during the withdrawing member's term of membership, regardless of when such costs and expenses may be discovered.

(4) The withdrawing member shall pay all of these additional costs either in a lump sum or in installments at such times and in such amounts as required by the Commission.

(c)(1) After a member has voted to withdraw, the Commission shall give notice to the remaining members of the vote to withdraw and shall hold a meeting to determine if it is in the best interest of the Commission to continue to exist. All interested parties shall be given an opportunity to be heard. The Commissioners of the withdrawing member shall not vote on whether to the Commission should continue to exist.

(2) If the Commission determines that it would be in the best interests of the Commission to cease operations, the Commission shall follow the procedures described in § 902-28.

(3) If the Commission decides to continue, it shall amend this MOU to reflect the change in membership and organization.

§ 902-27. Admission of additional municipalities

(a) The Commission, by the affirmative vote of Commission Members representing at least two-thirds of all votes entitled to be cast on behalf of all members and comprising at least two-thirds of all possible Commission Members (including vacancies), may authorize the inclusion of additional municipalities in the District upon such terms and conditions as it shall deem to be fair, reasonable, and in the best interests of the District.

(b) The petitioning municipality shall comply thereafter with the approval procedures specified in 24 V.S.A. chapter 121 (intermunicipal cooperation and services). If a majority of the voters of the petitioning municipality present and voting at a meeting of such municipality duly warned for such purpose shall vote to approve the 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, and the municipality shall be a member.

§ 902-28. Dissolution of the District

(a)(1) Upon the affirmative vote of Commission Members representing at least two-thirds of all votes entitled to be cast on behalf of all members and comprising at least two-thirds of the Commission Members present, the Commission may prepare a plan of dissolution for submission to the voters of the District at a special meeting of the District duly warned for such purposes.

(2) If the voters of the District present and voting at such special meeting of the District vote to dissolve the District, the District shall cease to conduct its affairs except insofar as may be necessary to complete the plan of dissolution and conclude its affairs.

(3) The Commission of Commission Members shall cause a notice of the plan of dissolution to be mailed to each known creditor of the District and to the Secretary of State.

(b) The plan of dissolution shall, at a minimum:

(1) identify and value all assets of the District;

(2) identify all liabilities of the District, including contract obligation:

(3) determine how the assets of the District shall be liquidated and how the liabilities and obligations of the District shall be paid, to include assessments against municipalities of the District; and

(4) specify that any assets remaining after payment of all liabilities shall be apportioned and distributed among the municipalities according to the relative size of the remaining towns’ grand lists.

(c) When the plan of dissolution has been fully implemented, the Commission shall certify that fact to the members whereupon this chapter and the District shall be terminated.

§ 902-29. Amendment of the District agreement

(a)(1) Amendments to this chapter may be proposed by a petition signed by five percent of the voters of the member towns, or by the Commission, by a resolution expressing the intention to amend the chapter.

(2) A copy of such resolution shall be mailed to the legislative bodies of the members and to each Commission Member at least ten days prior to the meeting scheduled to act on the proposal of amendment.

(b) The Commission shall warn a special meeting of the District to vote on the amendment, voting to be by Australian ballot.

(c)(1) Within ten days of the adoption of the amendment by the Commission or by the voters of the District, the Secretary of the District shall certify to the Secretary of State each proposal of amendment.

(2) The Secretary of State and the General Assembly shall then proceed as with municipal charter amendments under 17 V.S.A. § 2645.

(d) No amendment shall substantially affect any obligations under long-term contracts of the District then outstanding or in effect, or the rights of the District to procure the means for payment, continuation, or termination thereof.

§ 902-30. Seal

The District shall have a seal designed as the Commission requires.

§ 902-31. Severability

If any provision of this charter is held invalid, the other provisions of the charter shall not be affected thereby. If the application of the charter or any of its provisions to any person or circumstances is held invalid, the application of this charter and its provisions to other persons or circumstances shall not be affected thereby.