

To: Honorable Mayor Rines, Gardiner City Council

From: Patricia Hart, Chair Gardiner Water District Charter - Governance Review Committee

CC: Committee Members- Gloria Fitzherbert, Darryl Fitzherbert, Eugene Proulx, David Vachon, Daniel Alexander, Dan Mysral, Carla Noyes, Charles Batchelder

Re: Final Proposal for the Gardiner Water District Governance Charter Changes

Date: April 30, 2005

I respectfully submit the following report on behalf of the Gardiner Water District Charter Review Committee to the Honorable Mayor Rines and the members of the Gardiner City Council.

Background

The Gardiner City Council (the Council) established the Gardiner Water District Charter Governance Review Committee (the Committee) in January 2005 to review the structure of the Gardiner Water District (GWD) Board of Trustees as set forth in the Gardiner Water District Charter. The Gardiner City Council appointed committee members from Farmingdale, Randolph and Gardiner. (Appointed member list attached) A member from Pittston joined the committee in-progress.

Committee Meetings

The committee held four meetings as follows-

February 25, 2005 – Reviewed background materials

March 21, 2005 – Discussed process for charter changes with GWD Attorney, Jim Cohen

April 11, 2005 – Determined process for reaching agreement on changes and agreed on “Guiding Principles” to consider in crafting the proposal

April 25, 2005 – Voted on proposal for GWD Charter Governance changes

Decision-making Process

At the April 11, 2005 meeting, the committee agreed, unanimously, that the final recommendation would be determined by a majority vote among the municipalities represented on the committee. Simply put, each municipality would cast a single vote. Members from each municipality on the committee would need to determine what process they would use to cast their single vote in the event of differences of opinion among members from that municipality.

Guiding Principles

At the April 11, 2005 meeting, the committee voted unanimously by municipality to use the following rules to guide the proposal for change. (Pittston was not represented at the meeting.)

- The GWD Board of Trustees should reflect a fair representation of the towns served by the district.
- The GWD Trustees should work in the best interest of the GWD and GWD customers.
- The selection process for the Board of Trustees should meet the needs of each municipality concerning, cost, timing and other issues.

Proposal for GWD Charter Governance Structure Changes

At the April 25, 2005 meeting, the representatives from Randolph, Farmingdale, Pittston and Gardiner considered and voted on the following recommendations for changes to the GWD Charter. The vote was taken by municipality (one municipality, one vote) and determined by the majority vote among municipalities represented. The results of those votes are as follows-

<h4>Representation on the GWD Board of Trustees</h4>

One (1) Trustee elected at-large by a plurality of the vote from the municipalities served by the GWD (Farmingdale, Randolph, Pittston and Gardiner)
--

One (1) Trustee elected by a plurality of the vote by the residents of Farmingdale
--

One (1) Trustee elected by a plurality of the vote by the residents of Randolph

Two (2) Trustees elected by a plurality of the vote by the residents of Gardiner
--

The Committee Vote-

In Favor- Randolph, Farmingdale, Gardiner

Against- Pittston

Reasons for –

- 5 Trustees were more than adequate for the size of the GWD operation
- Allocation of representatives reflected the share of GWD customers from each municipality (table attached)
- Provided the opportunity for residents from every municipality to seek a Trustee position, if interested.
- Other Water Districts have used this approach to allocate representation on their Boards

Reasons Against –

- Did not guarantee a Trustee from Pittston

Qualifications of the Trustees

GWD employees are not eligible to be Trustees of the GWD.

Municipal officials from any of the municipalities served are not eligible to be Trustees of the GWD.

Trustees must reside within the municipality from which they are elected. The at-large Trustee must reside in one of the municipalities served.

Trustees must be GWD customers.

The Committee Vote-

For - Randolph, Farmingdale, Gardiner, Pittston

Reasons For-

- Trustees would fairly represent all customers of the GWD.
- Avoid potential conflicts of interest with GWD employees and/or municipal officials and the GWD.

Selection of Trustees

Will be determined by the plurality of the vote in the November general election.

Transition

The Farmingdale, Randolph and the at-large Trustees will be elected in the next scheduled November election, following the GWD charter changes. In the first election year, the terms for the 3 elected Trustees will be determined through a lottery, with one Trustee serving one year, one serving two years and one serving three years. Successors to these Trustees will then be elected to serve three-year terms. The seated Trustee whose term expires in the calendar year of the first election, shall not be reappointed. The remaining two seated GWD Trustees will serve their full terms and be replaced when their term expires by a Trustee elected by a plurality of the vote in a November election.

Early Termination

If for any reason, a Trustee is unable to complete their full term, the Board of Trustees shall appoint a person to complete that term. That appointment shall follow all eligibility requirements including requirements related to residence for the vacated Trustee seat.

The Committee Vote-

In Favor - Randolph, Farmingdale, Gardiner, Pittston
(Pittston agreed with the process for selection, transition and replacement, not the allocation of Trustee seats described herein)

- Reasons For – General election would allow all citizens to select representatives to serve on the Board of Trustees. The proposal considers costs, timing and other issues encountered in elections.