

AGREEMENT OF MUNICIPAL COOPERATION  
FOR CONSTRUCTION, FINANCING AND  
OPERATION OF JOINT WATER SYSTEM

This agreement of MUNICIPAL COOPERATION made as of this 25th day of July, 1961, between the Town Board of the Town of Canandaigua, Ontario County, New York, upon behalf of CANANDAIGUA-FARMINGTON WATER DISTRICT, party of the first part, hereinafter referred to as "Canandaigua", and the Town Board of the Town of Farmington, Ontario County, New York, on behalf of CANANDAIGUA-FARMINGTON WATER DISTRICT, party of the second part, hereinafter referred to as "Farmington", WITNESSETH:

1. This agreement of Municipal Cooperation is made in pursuance of the authority contained in Article 5-G of the General Municipal Law of the State of New York for the express purpose of the construction, operation, maintenance and financing, jointly, of a water supply to serve both of the aforesaid districts.

2. The cost of the construction of such joint water system, including the annual debt service on any bonds issued to finance the same, and the cost of operation and maintenance thereof, shall be apportioned, annually, between said Districts in said Towns on the ratio which the full valuation of real property in each of said Water Districts bears to the full valuation of both Districts; such ratio to be annually determined at a joint meeting of the Town Board of said Towns to be held not later than the first day of November in each year hereafter. The share of the cost to be borne by each such District shall be annually assessed, levied and collected from the several lots and parcels of land within the said District in the same manner and at the same time as other town charges, excepting as otherwise provided by law. In arriving at the total annual cost, the amount received, of gross revenues from the sale of water to the customers thereof, shall be deducted from the gross annual cost and the balance remaining shall be raised by such annual tax levy apportioned as aforesaid.

For the purposes of this agreement, "full valuation" shall be the value obtained by applying the then current state equalization rate as established in the last previous notice to the County Clerk (irrespective of

whether such rate shall be subsequently changed) for the particular town to the last completed assessment roll of said town.

3. In arriving at the total annual cost of such operation and maintenance in the future, the joint Town Boards may, from time to time, create and establish reserve funds in each said District, in such amounts as is deemed advisable for purposes of expansion, cost of emergency repairs and for other purposes of the joint operation and maintenance of said Water Districts.

4. The joint Town Boards of the parties shall employ and engage all personnel, including, but not limited to, a Superintendent of the joint water system, deemed necessary to properly and efficiently operate and maintain the said water system, including the clerical work of reading meters, preparing and mailing water bills, and the collection of the same; and to fix and pay from the joint District funds the salaries and necessary authorized expenses and disbursements in the performance of their respective duties. The joint Town Boards shall designate the Supervisors of each of said Towns as finance officers, and they shall be given custody of the funds of both Districts, and shall sign all checks for the withdrawal and expenditure of all funds for both of said Districts. All moneys belonging to the Districts shall first be paid by the Town tax collectors and water rent collectors to the Supervisor of his Town, and each Supervisor shall forthwith deposit such moneys coming into his possession into an account, which shall be established and maintained by the Supervisors in a bank to be designated by the joint Town Boards. All salaries set upon an annual or monthly basis shall be paid by the finance officers monthly on payroll; all other expenditures for the Districts shall be paid by the finance officers only upon voucher, in the form prescribed by them and approved by the Auditing Committee for that purpose, and, after due audit thereof by the Auditing Committee, which is hereby established, and shall consist of three persons, viz: the Supervisor of each Town and the Superintendent of the joint water system; all vouchers for the purchase of supplies and/or materials for the use and operation of the water system shall be approved, in writing, by the Superintendent of the joint water system, prior to presentment for audit.

5. The employment of all personnel working for the Districts shall be subject to the applicable provision of the Civil Service Law; and the said Districts shall have the right and privilege, as they may hereafter determine, by action of the joint Town Boards, to make all necessary payments of employers' contributions for retirement, social security, health insurance, the providing of Workmen's Compensation coverage, and other similar benefits. The Districts may, in their discretion, by action of the joint Town Boards, authorize any of their personnel to attend conventions, conferences and schools for public officials at the expense of the said Districts. The Supervisors of the Towns, acting jointly, if authorized by the joint Town Boards, shall have authority to authorize any employees of the District to attend any such conventions, as aforesaid, and to pay the traveling expenses in connection therewith; in addition, all personnel and employees shall be reimbursed for the necessary traveling expenses incurred in the performance of any of their official duties.

6. It is agreed that all personnel employed or engaged in the operation or maintenance of the joint Water System, who are assigned to a joint service, shall possess the same powers, duties, immunities and privileges they would ordinarily possess, (1) if they perform their duties only in the district by which they are employed, or (2) if they were employed by the district in which they are required to perform their duties.

7. The Town Boards of the Towns of Canandaigua and Farmington, in joint session and by joint action, shall have the responsibility for the establishment, financing, operation and maintenance of the joint water system, and shall be charged with the immediate supervision and control thereof. Such joint Town Boards shall have the power and authority of the fixing and collection of charges, rents, rates or fees, where appropriate, and may, from time to time, make and promulgate any necessary rules and regulations in respect to the operation and maintenance of the water system, and provide for the enforcement thereof by or with the assistance of the two water districts participating or the Town Boards of said Towns; and may call, arrange and conduct hearings in regard to the furnishing of such water service and make

determinations of any issues thereat; may provide for the making of necessary inspection, and the keeping of all records concerning the joint operation and maintenance of said system, and shall require the making of necessary or required reports, including those required by Article 3 of the General Municipal Law; and may, from time to time, adopt and enforce limitations or restrictions on either of the individual participating water districts from providing or undertaking similar or competing facilities, services or undertakings.

8. The joint Town Boards shall make all necessary purchases of materials and equipment for the operation and maintenance of the joint water system, and shall have the privilege to delegate such right of purchase to the Superintendent, or other employee, of the joint water system charged with the supervision and operation of the said water supply system, all under the complete supervision of the joint Town Boards; and may make contracts, subject to the general law applicable to municipal corporations and school districts.

9. The joint Town Boards, on behalf of the joint water system and facility in the furtherance of the project, and in its discretion and judgment, may acquire, own, have custody of, operate, maintain, lease or sell real or personal property; or may accept gifts, grants or bequests of property for the use and benefit of the said joint District and its operation.

10. The joint Town Boards are authorized and empowered to make claims for Federal or State aid payable to either the Town of Canandaigua or the Town of Farmington, or to both Towns jointly on account of the joint water system, or the joint service to be furnished.

11. It is agreed that the manner of responding by the said Districts for any claims on liabilities which may be incurred by reason of the negligence in or the operation of the joint services in said Water Districts, shall be borne by each Town, in accordance with the proportionate valuation of the property of each said District, in the same manner and to the same extent as hereinbefore provided for the construction of the system; and the joint Town Boards may place and take out appropriate insurance against any such possible liability for the protection of the said Districts and each individual

Town, and the premiums for any such insurance coverage shall be an expense of the joint water system and shall be paid by the Supervisor designated to have custody of the funds of said districts.

12. It is agreed that the Town Board of each Town affected hereby, acting in joint session upon the duly adopted resolution of either Town Board, shall have the right to review the terms and conditions of this agreement in any respect, including those relating to its duration, extent or terms, and proportionate assessment of real property in each Town for the cost of operation and maintenance of the joint water system, not oftener than once in each calendar year. For the purposes of the last above sentence, the Supervisors of the Towns shall have the right to call such a meeting of the joint Town Boards; in the event that the Supervisors decline or neglect to call such a meeting, after due notice, then such a joint meeting may be called by the action of a member of each of the Town Boards, acting jointly, who shall give a three-day written notice to all the members of each Town Board, calling such joint meeting and fixing the time and place for the holding thereof.

13. It is further agreed that this agreement and contract shall continue in force, excepting as it may, from time to time, be amended and altered, until such time as the bonds issued for the construction of the said joint water system have been fully paid off, satisfied and discharged; and that the Joint Town Boards may thereafter continue or renew this agreement and contract, so as to provide for the continuous operation and maintenance of the said joint water system for the benefit of the consumers of water therein.

14. Such fiscal officers, and such other employees as the Joint Town Boards determine, shall, before receiving any moneys on account of the said water Districts, give a corporate surety bond for the faithful performance of their duties and the full accounting for all moneys of the Districts handled by them, in such amount as the joint Town Boards shall prescribe, and which bonds shall be approved by the joint Town Boards as to form and sufficiency of surety.

15. Adjudication of disputes or disagreements, the effect of failure of participating Districts to pay their respective shares of the costs

and expenses of the system and the rights of others, in the first instance, shall be determined by the Joint Town Boards sitting specially for that purpose. If any participant is aggrieved with the decision of the Joint Town Boards upon the question, he may apply to the Supreme Court of the State of New York for review or relief under the provisions of Article 73 of the Civil Practice Act.

16. It is the purpose and intent of the parties to this agreement that everything shall be done by the parties hereto to make available an adequate supply of potable water to the aforesaid joint water system, and that, to this end, full cooperation shall be had by the separate water districts and Town Boards acting jointly by and through this agreement of Municipal Cooperation, pursuant to Article 5-G of the General Municipal Law, to provide the necessary authority for the financing, construction and supervision to accomplish such purpose and progress to joint endeavor and service, and the parties hereto pledge themselves to amend or supplement this agreement, in the future, in any way desirable to provide additional authority which may be deemed necessary to adequately and properly administer, manage and operate the said joint water system.

IN WITNESS WHEREOF, this agreement has been duly signed by the members of the respective Town Boards, parties hereto, as of the day and year first above written.

TOWN BOARD OF THE TOWN OF CANANDAIGUA,  
ONTARIO COUNTY, NEW YORK

By Maynard O. Ostry  
Supervisor

(SEAL)

Clair B. Doy  
Justice of the Peace

Warren C. Hoop  
Justice of the Peace

[Signature]  
Town Councilman

Morton R. Jones  
Town Councilman

ATTEST

Edna W. Van Noy  
Town Clerk

LBERT  
LAW  
I. R. Y.

Constituting the Town Board of the Town  
of Canandaigua, Ontario County, New York

TOWN BOARD OF THE TOWN OF FARMINGTON,  
ONTARIO COUNTY, NEW YORK

By Kenneth E. Bove  
Supervisor

(SEAL)

James B. Ellsworth  
Justice of the Peace

Raymond C. Phillips  
Justice of the Peace

Nathan L. Aldrich  
Town Councilman

Lewis H. Martz  
Town Councilman

Constituting the Town Board of the  
Town of Farmington, Ontario County,  
New York

ATTEST

Mary J. Patten  
Town Clerk