

# Water Districts Overview

Prospective Chatham County – Tri River Merger

# Background

- Northwest, Southwest, and Southeast Water Districts were established by resolution pursuant to § 162A-86 on April 5, 2004.
- BOC adopted resolutions calling for elections on the question of whether to issue bonds to pay the capital costs of providing water facilities in these three districts.
- Residents were canvassed in a Special Election on July 20, 2004, on the question.
- Southwest and Southeast Chatham Water Districts voted YES to the question, and Northwest Water District voted NO.
- Sitting as the governing body of the Southwest and Southeast Water Districts, the Board of Commissioners recognized the election results and moved forward with authorization and issuance of bonds pursuant to the Local Government Bond Act.
- Using the General Obligation Bonds as a security for the Southwest and Southeast Water Districts, loan funds were gained by USDA-Rural Development to build water infrastructure.

# Action Items

- Debt for Southeast Water District remains outstanding.
- Each Water District remains as a legally recognized entity since they were created by resolution which will need to be dissolved.
- The Board of Commissioners will need to sit as the board of each Water District to vote on the Tri-River merger. Each will be named in the agreement to convey infrastructure.