

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 443

Local Government & Regional Affairs Committee Substitute Adopted 4/27/89

Short Title: City/Sanitary District Merger.

(Public)

Sponsors:

Referred to:

March 15, 1989

A BILL TO BE ENTITLED

AN ACT TO PROVIDE A PROCEDURE FOR MERGER OF A CITY AND A SANITARY DISTRICT WHOSE BOUNDARIES ARE COTERMINOUS, AND A PROCEDURE FOR MERGER OF A CITY AND A SANITARY DISTRICT WHICH IS CONTAINED WHOLLY WITHIN ITS BORDERS BUT WHICH IS NOT COTERMINOUS.

The General Assembly of North Carolina enacts:

Section 1. Chapter 130A of the General Statutes is amended by adding a new section to read:

"§ 130A-80.1. Merger of district with coterminous city or town; election.

A sanitary district may merge with a coterminous city or town in the following manner:

- (1) The sanitary district board and the governing board of the city or town may resolve that it is advisable to call an election within the area of the sanitary district and the city or town to determine if the sanitary district and the city or town should merge;
- (2) If the sanitary district board and the governing board of the city or town resolve that it is advisable to call for an election, both boards shall adopt a resolution requesting the board of commissioners in the county or counties in which the district and the town or city or any portion is located to hold an election on a date named by the sanitary district board and the governing board of the city or town after consultation with the appropriate board or boards of elections. The

election shall be held within the sanitary district and the city or town on the question of merger;

(3) The county board or boards of commissioners shall request the appropriate board or boards of elections to hold and conduct the election. All voters of the city or town and the sanitary district shall be eligible to vote;

(4) Notice of the election shall be given as required in G.S. 163-33(8);

(5) The board or boards of elections shall provide ballots for the election in substantially the following form:

'[] FOR merger of the Town of and the Sanitary District, if a majority of the registered voters vote in favor of merger, the area to be known as the Town of and to assume all of the obligations of the Sanitary District and to receive from the Sanitary District all the property rights of the District.

[] AGAINST merger.'

(6) A majority of all the votes cast is necessary for the merger of a sanitary district with the city or town. The merger shall be effective on July 1 following the election. If a majority of the votes cast is not in favor of the merger, an election on merger may not occur until one year from the date of the last election.

(7) Upon the merger of a sanitary district and a city or town pursuant to this section, the city or town shall assume all obligations of the sanitary district and the sanitary district shall convey all property rights to the city or town. The vote for merger shall include a vote for the city or town to assume the obligations of the district. The sanitary district shall cease to exist as a political subdivision from and after the effective date of the merger; and

(8) If merger is approved, the governing board of the city or town shall determine the proportion of the district's indebtedness, if any, which was incurred for the construction of water systems and the proportion which was incurred for construction of sewage disposal systems. The governing board shall send a certified copy of the determination to the Local Government Commission in order that the Commission and the governing body of the merged municipality can determine the net debt of the merged municipality as required by G.S. 159-55."

Sec. 2. Part 2 of Article 2 of Chapter 130A of the General Statutes is amended by adding a new section to read:

"§ 130A-80.2. Merger of district with noncoterminous city or town it is contained wholly within; election.

A sanitary district may merge with a city or town which it is contained wholly within, but where the sanitary district and the city or town do not have coterminous boundaries, in the following manner:

(1) The sanitary district board and the governing board of the city or town may resolve that it is advisable to call an election within both the

- 1 sanitary district and the city or town to determine if the sanitary district
2 and the city or town should merge;
- 3 (2) If the sanitary district board and the governing board of the city or
4 town resolve that it is advisable to call for an election, both boards
5 shall adopt a resolution requesting the board of commissioners in the
6 county or counties in which the district and the town or city or any
7 portion is located to hold an election on a date named by the sanitary
8 district board and the governing board of the city or town after
9 consultation with the appropriate board or boards of elections. The
10 election shall be held within the sanitary district and the city or town
11 on the question of merger;
- 12 (3) The county board or boards of commissioners shall request the
13 appropriate board or boards of elections to hold and conduct the
14 election. All voters of the city or town and the sanitary district shall be
15 eligible to vote if the election is called in both areas as authorized in
16 subdivision (1);
- 17 (4) Notice of the election shall be given as required in G.S. 163-33(8). The
18 board or boards of elections may use either method of registration set
19 out in G.S. 163-288.2;
- 20 (5) If an election is called as provided in subsection (2), the board or
21 boards of elections shall provide ballots for the election in
22 substantially the following form:
- 23 ‘[] FOR merger of the Town of and the
24 Sanitary District, if a majority of the registered voters of both
25 the Sanitary District and the Town vote in favor of merger, the
26 combined territories to be known as the Town of
27 and to assume all of the obligations of the Sanitary District and
28 to receive from the Sanitary District all the property rights of
29 the District; from and after merger residents of the District
30 would enjoy all of the benefits of the municipality and would
31 assume their proportionate share of the obligations of the Town
32 as merged.
- 33 [] AGAINST merger.’
- 34 (6) A majority of all the votes cast by voters of the sanitary district and a
35 majority of all the votes cast by voters of the city or town is necessary
36 for the merger of a sanitary district with the city or town. The merger
37 shall be effective on July 1 following the election. If a majority of the
38 votes cast in either the sanitary district or the city or town vote against
39 the merger, any election on similar propositions of merger may not
40 occur until one year from the date of the last election.
- 41 (7) Upon the merger of a sanitary district and a city or town pursuant to
42 this section, the city or town shall assume all obligations of the
43 sanitary district and the sanitary district shall convey all property rights
44 to the city or town. The vote for merger shall include a vote for the city

1 or town to assume the obligations of the district. The sanitary district
2 shall cease to exist as a political subdivision from and after the
3 effective date of the merger. After the merger, the residents of the
4 sanitary district enjoy all of the benefits of the municipality and shall
5 assume their share of the obligations of the city or town. All taxes
6 levied and collected by the city or town from and after the effective
7 date of the merger shall be levied and collected uniformly in all the
8 territory included in the enlarged municipality; and

9 (8) If merger is approved, the governing board of the city or town shall
10 determine the proportion of the district's indebtedness, if any, which
11 was incurred for the construction of water systems and the proportion
12 which was incurred for construction of sewage disposal systems. The
13 governing board shall send a certified copy of the determination to the
14 Local Government Commission in order that the Commission and the
15 governing body of the merged municipality can determine the net debt
16 of the merged municipality as required by G.S. 159-55."

17 Sec. 3. If a sanitary district and a city or town were merged in any election
18 conducted prior to January 1, 1989, under G.S. 130A-80, and the merger did not qualify
19 under that section, but would have been permissible under G.S. 130A-80.2 as enacted
20 by Section 2 of this act, that merger is in all respects validated and confirmed.

21 Sec. 4. This act is effective upon ratification.