



Board of County Commissioners - Staff Report

Meeting Date: July 3, 2018
Submitting Dept: County Attorney

Presenter: Keith Gingery
Subject: Hog Island ISD Dissolution

Statement / Purpose:

Dissolution of the Hog Island Improvement and Service District pursuant to Wyoming Statute §22-29-408(a)

Background / Description (Pros & Cons):

Pursuant to Wyo. Stat. §22-29-401(a)(ii) the Hog Island Improvement and Service District notified the Teton County Board of County Commissioners of their intention and request to be dissolved. The Hog Island Improvement and Service District was formed on January 3, 2017. The district is located in Teton County, Wyoming and lies at the south end of the Snake River Basin at the mouth of the Snake River Canyon, north of Hoback Junction. The district is currently served by private wells and septic systems. The district was formed to create a public sewer collection system. The Teton County School District #1 has built a new elementary school in the area and the school district has constructed a sewer line from the new elementary school to connect with the Town of Jackson's main sewer treatment center. The district had hoped to construct a central sewer collection system to tie onto the school district's new sewer line. After forming as a district, the Hog Island Improvement and Service District conducted a Level I Water Master Plan with financial assistance from the Wyoming Water Development Commission.

On February 28, 2018 the Teton County Clerk received and then subsequently certified on March 8, 2018, a Petition to Dissolve the Hog Island Improvement and Service District signed by 46 of the land owners in the district. On April 9, 2018, the Board of Directors of the Hog Island and Improvement Service Districts submitted a Findings of Facts and Proposed Plan of Dissolution and Liquidation of the Hog Island Improvement and Service District and the Board of Directors scheduled an election for August 1, 2018 as to whether or not the district should be dissolved.

On May 23, 2018, the Board of Directors of the Hog Island Improvement and Service District passed a Resolution to voluntarily dissolve the district without holding an election and on May 31, 2018 passed a resolution cancelling the election scheduled for August 1, 2018.

The district has no assets. No infrastructure was ever built and no assets presently exist. The district has listed certain debts. There are no funds or assets to pay any debts. No claims have been filed for the payment of debts. From reviewing the list of debts, it does not appear that the listed debts are valid debts.

The Board of Directors filed a Findings of Fact and Proposed Plan of Dissolution and Liquidation on April 9, 2018. The Board of Directors state in that document that they believe they have a contractual obligation of debt to the Teton County School District #1. From reviewing the minutes of the Teton County School District #1, no contractual obligation was ever entered into and no debt is owed to the Teton County School District #1. There was discussion of entering into a Memorandum of Understanding that ended up never being signed. And even if the Memorandum of Understanding had been signed, the Memorandum of Understanding was simply laying out how the two parties were intending to work together toward an actual agreement in the future. The Board of Directors also stated that they desired to give back funds that had been collected from landowners. The funds collected from landowners were used to pay for engineering, mapping, and other services of the district. It is not appropriate to refund the collections collected from the landowners.

The Board of Directors had proposed in their April 9, 2018 Proposed Plan of Dissolution and Liquidation that an assessment be assessed against the landowners, this appears to serve no purpose, since there is no valid debt to pay back.

There has been discussion that once the district is dissolved there may be an attempt to form a new district with a new map not including certain neighbors that were opposed to this particular district.

Stakeholder Analysis & Involvement:

Landowners within the Hog Island Improvement and Service District



Board of County Commissioners - Staff Report

Legal Review:

Gingery

Staff Input / Recommendation:

Approve the Dissolution and encourage the landowners to re-form in the future.

Attachments:

Resolution Dissolving the Hog Island Improvement and Service District

Suggested Motion:

I move to approve the Resolution Dissolving the Hog Island Improvement and Service District and specifically find that the dissolution is in the best interest of the people of the county and the district is not active and there is no need for the district.

RESOLUTION DISSOLVING THE HOG ISLAND IMPROVEMENT AND SERVICE DISTRICT

WHEREAS, pursuant to Wyo. Stat. §22-29-401(a)(ii) the Hog Island Improvement and Service District notified the Teton County Board of County Commissioners of their intention and request to be dissolved; and

WHEREAS, the Hog Island Improvement and Service District was formed on January 3, 2017. The district is located in Teton County, Wyoming and lies at the south end of the Snake River Basin at the mouth of the Snake River Canyon, north of Hoback Junction. The district is currently served by private wells and septic systems. The district was formed to create a public sewer collection system. The Teton County School District #1 has built a new elementary school in the area and the school district has constructed a sewer line from the new elementary school to connect with the Town of Jackson's main sewer treatment center. The district had hoped to construct a central sewer collection system to tie onto the school district's new sewer line. After forming as a district, the Hog Island Improvement and Service District conducted a Level I Water Master Plan with financial assistance from the Wyoming Water Development Commission; and

WHEREAS, on February 28, 2018 the Teton County Clerk received and then subsequently certified on March 8, 2018, a Petition to Dissolve the Hog Island Improvement and Service District signed by 46 of the land owners in the district. On April 9, 2018, the Board of Directors of the Hog Island and Improvement Service Districts submitted a Findings of Facts and Proposed Plan of Dissolution and Liquidation of the Hog Island Improvement and Service District and the Board of Directors scheduled an election for August 1, 2018 as to whether or not the district should be dissolved; and

WHEREAS, on May 23, 2018, the Board of Directors of the Hog Island Improvement and Service District passed a Resolution to voluntarily dissolve the district without holding an election and on May 31, 2018 passed a resolution cancelling the election scheduled for August 1, 2018; and

WHEREAS, the district has no assets. No infrastructure was ever built and no assets presently exist. The district has listed certain debts. There are no funds or assets to pay any debts. No claims have been filed for the payment of debts. From reviewing the list of debts, it does not appear that the listed debts are valid debts; and

WHEREAS, the Board of Directors filed a Findings of Fact and Proposed Plan of Dissolution and Liquidation on April 9, 2018. The Board of Directors state in that document that they believe they have a contractual obligation of debt to the Teton County School District #1. From reviewing the minutes of the Teton County School District #1, no contractual obligation was ever entered into and no debt is owed to the Teton County School District #1. There was discussion of entering into an Memorandum of Understanding that ended up never being signed. And even if the Memorandum of Understanding had been signed, the Memorandum of Understanding was simply laying out how the two parties were intending to work together toward an actual agreement in the future. The Board of Directors also stated that they desired to give back funds that had been collected from landowners. The funds collected from landowners were used to pay for engineering, mapping, and other services of the district. It is not appropriate to refund the collections collected from the landowners; and

WHEREAS, the Board of Directors had proposed in their April 9, 2018 Proposed Plan of Dissolution and Liquidation that an assessment be assessed against the landowners, this appears to serve no purposes, since there is no valid debt to pay back.

NOW THEREFORE, BE IT RESOLVED that the Teton County Board of County Commissioners hereby terminate and dissolve the Hog Island Improvement and Service District; and

BE IT FURTHER RESOLVED, that the Teton County Board of County Commissioners specifically finds that there are no valid debts of the Hog Island Improvement and Service District and/or no valid claims against of the Hog Island Improvement and Service District, and thus there is no need for any further assessments against the landowners in the district; and

BE IT FURTHER RESOLVED, that the Teton County Board of County Commissioners specifically finds that there are no assets or infrastructure of the Hog Island Improvement and Service District; and

BE IT FURTHER RESOLVED, that pursuant to Wyoming Statute §22-29-408(a) that the election required by W.S. §22-29-404 shall be dispensed with and the Hog Island Improvement and Service District is hereby declared dissolved with the following findings:

- a. Dissolution is in the best interest of the people of the county
- b. The district is not active and there is no need for the district.

Adopted on the 3rd day of July, 2018.

**TETON COUNTY BOARD OF COUNTY
COMMISSIONERS**

Mark Newcomb, Chair

(Seal)

Attest:

Sherry L. Daigle, County Clerk