§ 187. Exclusion of a fire district from a water supply district. 1. Petition. Whenever a fire district shall be located wholly within the boundaries of a water supply district which shall have no bonded indebtedness, a written petition as hereinafter provided may be presented to the town board of the town in which the water supply district is located asking for the exclusion of the area included in the fire district from the water supply district. Such petition shall be signed, and acknowledged or proved in the same manner as a deed to be recorded, or authenticated in the manner provided in the election law for the authentication of nominating petitions, by resident taxpayers owning taxable real property aggregating at least one-half of the assessed valuation of all the taxable real property of the fire district owned by resident taxpayers, as such valuations appear upon the latest completed assessment roll of said town. Such petition shall have endorsed thereon the approval of a majority of the board of fire commissioners of such fire district. The town board shall hold a public hearing upon such petition within the limits of the water supply district and shall cause a notice thereof to be published and posted in the same manner provided for hearings held pursuant to section one hundred seventy-one hereof. Such notice shall contain a description of the fire district referred to in the petition and specify the time when and the place where the town board will meet to consider such petition and to hear all the persons interested in the subject concerning the same. After a hearing held upon notice as provided hereinbefore, and upon the evidence given thereat, the town board shall determine whether it is in the public interest to grant the relief sought. If it is determined that it be not in the public interest to grant the relief sought, it shall deny the petition, but if it is determined that it be in the public interest, it may grant the relief sought by the petition.

2. Filing of determination. Whenever the town board shall adopt a resolution excluding the area included in a fire district from a water supply district, the town clerk shall cause a certified copy of such resolution to be duly recorded in the office of the clerk of the county in which such fire district is located and a certified copy of such resolution to be filed with the secretary of the board of fire commissioners of said district. When so recorded such resolution shall

be presumptive evidence of the regularity of the exclusion of such fire district from the water supply district. The expense of such recording shall be a charge against the fire district. The said determination shall be final and conclusive unless a proceeding for review in the manner provided by article seventy-eight of the civil practice law and rules has been commenced within thirty days from the time of filing thereof.

3. Liability for indebtedness; apportionment of liabilities and property. If the town board shall grant a petition for the exclusion of the territory of a fire district from a water supply district and the territory included within the boundaries of the fire district be so excluded, such territory within such fire district shall not be relieved from bearing its proportionate share of any liability or indebtedness incurred for water supply district purposes while such territory was a part of such water supply district, and until such liability shall have been discharged or such indebtedness paid the proportionate share thereof to which such territory would be liable if it had not been excluded from the water supply district, in accordance with assessed valuations as appear on the latest completed assessment roll of said town, shall be added to the annual budget of the fire district by the town board.

The proportion of the liability created or the indebtedness incurred in behalf of the water supply district and payable by a tax against the property within the fire district which shall be assumed by the fire district and the apportionment of the personal and real property belonging to the water supply district shall be determined according to the relative assessed valuation of the personal and real property in that portion of the water supply district without the fire district, and that portion within the fire district, in the following manner: The town board of the town when acting as a board for the water supply district, exclusive of a member who may reside in the fire district and the board of commissioners of the fire district being unable to agree within six months after the exclusion of the fire district from the water supply district becomes final upon the proportion of the debt and the apportionment of the personal and real property, then the supreme court

shall have power to determine such division and to enforce such award, division and determination as shall be made in the premises in a suit in equity to be brought in the name of either of said parties.