

# MAINE STATE LEGISLATURE

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**Legislative Document**

**No. 131**

H. P. 95

House of Representatives, January 22, 1957.

Referred to the Committee on Public Utilities, sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk

Presented by Mr. Emmons of Kennebunk.

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## STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-SEVEN

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### **AN ACT Amending the Charter of the Kennebunk Sewer District.**

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**Emergency preamble.** Whereas, the existing sewage and drainage system of the Town of Kennebunk which is included in the Kennebunk Sewer District is inadequate for the needs of the inhabitants thereof; and

Whereas, such inadequacy is injurious to the health and safety of such inhabitants; and

Whereas, it is imperative that action be taken at the earliest possible moment to relieve such conditions; and

Whereas, by Chapter 69 of the Private and Special Laws of 1955, the 97th Legislature incorporated the Kennebunk Sewer District for the purpose of remedying such conditions; and

Whereas, the following amendments to the Charter granted to said Kennebunk Sewer District by the 97th Legislature are immediately necessary to enable the District to take steps to remedy such conditions; and

Whereas, acts of the Legislature do not become effective until 90 days after adjournment unless passed as an emergency measure; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine, as follows:

**Sec. 1. P. & S. L., 1955, c. 69, § 16, repealed and replaced.** Section 16 of

chapter 69 of the private and special laws of 1955 is hereby repealed and the following enacted in place thereof:

**Sec. 16.** Authorized to issue bonds and notes; to borrow money. For accomplishing the purposes of this act and for such other expenses as may be necessary for the carrying out of said purposes, said district, by resolution of its board of trustees, is authorized and empowered to borrow money temporarily and to issue therefor its negotiable notes. Said district may also borrow money for the purpose of renewing or refunding the indebtedness so created and, without limitation, for the purpose of paying any necessary expenses and liabilities incurred under the provisions of this act, including organizational and other necessary expenses and liabilities; for the purpose of acquiring properties, paying damages, laying sewers, drains and conduits, constructing, maintaining and operating a sewage plant or system and making renewals, extensions, additions and improvements to the same and to cover interest payments on any debt incurred to construct a sewerage plant or system or any extension, addition or improvement thereof during the period of such construction. Said district, by resolution of its board of trustees, is for said purposes or any of them also authorized to issue, from time to time, notes, bonds or other evidence of indebtedness of the district, maturing serially or otherwise, in an amount or amounts, at such rates of interest, and on such terms and conditions as the board of trustees shall determine; provided, however, that the total indebtedness of said district at any one time outstanding shall not exceed the sum of \$1,000,000; and provided further, that indebtedness of the district shall not be deemed to be outstanding if funds adequate for the payment thereof together with any interest due thereon and premium payable on account thereof, shall have been deposited with the paying agent named in the notes or bonds evidencing such indebtedness in trust for the purpose of making such payment. Said notes and bonds shall be a legal obligation of said district which is hereby declared to be a quasi-municipal corporation within the meaning of section 136 of chapter 53 of the Revised Statutes of 1954, and all provisions of said section are applicable thereto. Said bonds and notes shall be a legal investment for savings banks in the state of Maine and shall be exempt from taxation in said state. Each bond or note shall have inscribed on its face the words "Kennebunk Sewer District," shall bear the district seal, shall be signed by the treasurer and countersigned by the chairman of its board of trustees and any interest coupons attached thereto shall bear the facsimile signature of its treasurer. All bonds issued by said district may be issued with or without provisions for calling the same for payment prior to maturity, and in case of such call provisions, the premium, if there be one, may vary with the maturities in any issue or with the time when such call is made, but may not exceed 5% of the principal upon any such call. Said district may refund, from time to time, in one or in separate series, its bonds, notes and other evidences of indebtedness and each authorized issue shall constitute a separate loan.'

**Sec. 2. P. & S. L., 1955, c. 69, § 16-A, additional.** Chapter 69 of the private and special laws of 1955 is hereby amended by adding thereto a new section, to be numbered 16-A, to read as follows:

**Sec. 16-A.** Sinking fund provided for; issue of refunding bonds authorized. In case any of said bonds or notes are made to run for a period of years, a sinking fund shall be established by the trustees of said district for the purpose of

redeeming said bonds or notes when they become due and not less than 1% of the aggregate principal of the outstanding bonds or notes issued on account of or in behalf of said district, as aforesaid, shall be turned into said sinking fund each year to provide for the final extinguishment of said district funded debt. In case serial bonds are issued, they shall be made to mature in annual installments which for each issue shall not be less than 1% of the aggregate principal amount of the bonds or notes of that issue. The first annual installment of principal of any issue of serial bonds shall mature not later than 2 years from the date of the issue thereof and the last installment of such issue shall mature not later than 30 years therefrom.

The money set aside for the sinking fund shall be devoted to the retirement of said notes and bonds, and shall be used for no other purposes, and shall be invested in such securities as savings banks are allowed to hold.

Whenever any bonds of said district become due, or can be purchased by said trustees on favorable terms, said trustees shall, if sufficient funds have accumulated in said sinking fund, redeem or purchase said bonds, and cancel them. In no case shall bonds so cancelled or redeemed be reissued.

In case the amount in said sinking fund shall not be sufficient to pay the total amount of the bonds falling due at any one time, authority to issue new bonds sufficient to redeem so many of said bonds as cannot be redeemed from the sinking fund is hereby granted to said trustees.'

**Emergency clause; referendum; effective date.** In view of the emergency cited in the preamble, this act shall take effect when approved, only for the purpose of permitting its submission to the legal voters of the town of Kennebunk, resident in the district, at the next regular town meeting to be held on the first Monday in March, 1957, or at a special town meeting to be called and held for the purpose within 3 months of the approval of this act. Such special meeting shall be called, advertised and conducted according to the law relating to municipal elections; provided, however, that the selectmen of said town shall not be required to prepare for posting, nor the town clerk to post, a new list of voters, and for the purpose of registration of voters said selectmen shall be in session on the secular day next preceding said special election. The town clerk of said town shall prepare the required ballots, on which he shall reduce the subject-matter of this act to the following question: "Shall the act Amending the Charter of the Kennebunk Sewer District, passed by the 98th Legislature, be accepted?" And the voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same. This act shall take effect for all the purposes hereof immediately upon its acceptance by a majority of the legal voters voting at said election; provided that the total number of votes cast for and against the acceptance of this act equals or exceeds 20% of the total vote for all candidates for Governor cast in said district at the next previous gubernatorial election.

The result of the vote shall be declared by the municipal officers of the town of Kennebunk and due certificate thereof shall be filed by the town clerk with the Secretary of State.