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80-152

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STATE OF MAINE

Department of the Attorney General Augusta, Maine 04333

November 21, 1980

Honorable Judy C. Kany 18 West Street Waterville, Maine 04901

Honorable Paul F. Jacques 49 Oakland Street Waterville, Maine 04901

Re: Kennebec Valley Vocational Technical Institute Bond Issue

Dear Representatives Kany and Jacques:

This is in response to your request for an opinion concerning the purchase by the State of property, land and buildings in Fairfield as the site for the building and trades program of the Kennebec Valley Vocational Technical Institute ("KVVTI"). You have inquired as to whether the State is authorized to purchase property, including buildings and land, for the building and trades program of KVVTI with proceeds from the bond issue approved by a referendum vote in June of 1980.

## FACTUAL BACKGROUND:

Chapter 106 of the Private and Special Laws of 1979, entitled "An Act to Authorize Bond Issue in the Amount of \$8 Million for Improvements to Vocational Technical Institutes and the Maine Maritime Academy" states, in part, as follows:

> "The Treasurer of State is authorized under the direction of the Governor, to issue from time to time serial coupon bonds in the name and behalf of the State in an amount not exceeding \$8 million for the purpose of raising funds to provide for such capital improvements, construction, renovations, equipment and furnishing as authorized by §6."

Section 6 of Chapter 106 specifies the purposes and amounts of the fund to be used at the named vocational technical institutes. Among the purposes and amounts so stated is the following:

> "Kennebec Valley Vocational-Technical Institute Industrial Trades Building \$1,98

\$1,980,000"

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In light of the State debt limitation set forth in art. IX, §14 of the Constitution of Maine, the bond issue was sent to referendum and was duly ratified by a majority of the electorate on June 10, 1980.

Kennebec Valley VTI is presently housed in a former secondary school building owned by the City of Waterville. The building is on lease from Waterville for \$1 annually for a total of 20 years; the present industrial trades program is located in the basement of that building.

The search committee established by the director of KVVTI has examined several available properties in Waterville and the adjacent communities for the proposed industrial trades building. The committee has recommended purchase of a parcel of land in Fairfield of approximately 58 acres. This parcel includes a completed building, suitable for use in an industrial trades program. It is understood that the potential selling price for that parcel and building would be approximately \$900,000 and that a second building would be constructed on the site to provide the additional space needed for the program with the balance of the money allocated to KVVTI in Chapter 106.

The committee has a concern, which you have expressed in your request for an opinion, that the language of the authorizing legislation might restrict the State to construction of a new building, precluding the purchase of land and a completed building for KVVTI.

## ANALYSIS AND CONCLUSION

We conclude, for the reasons explained below, that the purchase of land and buildings in Fairfield for the KVVTI buildings and trades program would be a proper use of bond proceeds.

The proceeds of any bond issue must be devoted to accomplish the purposes of the authorizing legislation. Art. IX, §14, Maine Constitution. The legislation in question does not explicitly authorize the purchase either of land or of an existing building for KVVTI. In construing the legislation, however, we must interpret the statute in coordination with other related statutes, State v. Borajian, 244 A.2d 410 (1975), and ascertain the legislative intent by the problem the Legislature intended to remedy. Hanbro Inc. v. Johnson, 158 Me. 180, 181 A.2d 249 (1952). Legislative intent, if ascertainable, must prevail and be given effect. Finks v. Maine State Highway Commission, Me., 328 A.2d 791 (1974). We must avoid, if possible, a construction which leads to a purpose not within the contemplation of the Legislature or absurd on its face. Greaves v. Houlton Water Co., 143 Me. 207, 59 A.2d 217 (1948); Emple Knitting Mills v. City of Bangor, 155 Me. 270, 153 A.2d 118 (1959).

Construing the authorizing legislation to prohibit the purchase either of land or of an existing building would defeat the legislative goal of providing a new and adequate facility for the industrial trades program at KVVTI. The authorizing Hon. Judy C. Kany Hon. Paul F. Jacques

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legislation resulted, in part, from a comprehensive review and report by the Joint Select Committee to Study the Vocational-Technical Institutes and the Maine School of Practical Nursing, chaired by Representative Walter Birt. The Committee's report (See "A Study of the Vocational-Technical Institutes and the Maine School of Practical Nursing," Final Report, Joint Select Committee . . . 1979) recommended comprehensive legislation to define the structure and governance of State VII's and specifically recommended that KVVTT be established as a full-fledged State institution, rather than continue to be operated by the City of Waterville. The Committee also noted that the existing arrangement, sharing physical space with the Waterville School Department, "restricts development" of KVVTI. The Committee found the space for the trade shop to be inadequate, even after relocation of KVVII into an abandoned school building. Legislative debate focused on the need for "a new building" for KVVTI's industrial trades program. See Me. Legis. Rec. at 537, 583 (1980). In short, a primary reason for the bond issue, and one that met no opposition, was to provide a new facility for the KWVTT indusprial trades program. With the full round of hearings, the considerable amount of evidence and the comprehensive report of the Joint Select Committee, in addition to the debate itself, the Legislature must have been aware that the new industrial trades facility could not be provided at the present site of KVVTI through "improvement" of the building, or construction of a building on the property not even owned by the State.1

To accomplish the recognized purpose of establishing a new industrial trades facility for KVVTI, then, the purchase of land is necessary and, consequently, is a proper use of the bond proceeds. It is also our opinion that the use of the proceeds to buy an existing building, as well as improving it and/or constructing whatever else is necessary, is both reasonable and appropriate. It would be irrational to limit the expenditure of the bond proceeds to construction of an entirely new structure when an appropriate building is available for purchase. Thus, we believe that the proposed transaction, as outlined above, is authorized by Chapter 106.<sup>2</sup>

In fact, the original draft of the bond issue legislation (L.D. 1887) stated that a portion of the proposed sum was to be "used for construction of an industrial trades building at KVVTI" (Emphasis added). The subsequent redraft, which became Chapter 106, eliminated the word "at," arguably an explicit recognition that no such structure could or would be built at the present City-owned site.

<sup>2</sup>This conclusion is consistent with prior opinions of this office, in particular an opinion dated March 9, 1979, dealing with surplus funds from the issuance of bonds for the Lewiston-Auburn Airport Authority; an opinion dated August 24, 1970, dealing with the construction of the culinary arts and electronics electrical buildings at SMVTI; and an opinion dated September 18, 1962, dealing with the general principles governing the use of bond proceeds. Hon. Judy C. Kany Hon. Paul F. Jacques

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A second concern which you have raised is whether existing statutory, language limits vocational-technical institutes in general, and KVVTI in specific, to offering programs within the boundaries of the named municipalities in which they have been "established." We understand that the legislative intent regarding the physical location of VTI programs will be addressed by legislation which you are proposing for immediate enactment. The proposed legislation should obviate any problem raised by this statute.

I hope this information is helpful. Please feel free to contact me if we can be of any further service.

S. COHEN

Attorney General

RSC:lm

cc: Harold Raynolds, Jr. Inge L. Foster Elwood Padham Bernard King

<sup>3</sup>This question is prompted by the language of P.L. 1979, c. 602, "An Act Relating to the Vocational-Technical Institutes," (codified as 20 M.R.S.A. §§2261, et seq) which states, in part, as follows:

> ". . . The following vocational-technical institutes are established:

. . . Kennebec Valley Vocational-Technical Institute in the City of Waterville . . ."

20 M.R.S.A. §2263(1).