

MAINE STATE LEGISLATURE

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ONE HUNDRED AND FOURTH LEGISLATURE

Legislative Document

No. 1281

S. P. 368

In Senate, March 11, 1969

Referred to Committee on State Government. Sent down for concurrence and ordered printed.

JERROLD B. SPEERS, Secretary

Presented by Senator Cianchette of Somerset.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SIXTY-NINE

AN ACT to Create the Mountain Resorts Airport Authority.

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

R. S., T. 10, part 9, additional. Title 10 of the Revised Statutes is amended by adding a new part 9, to read as follows:

PART 9

CHAPTER 801

MOUNTAIN RESORTS AIRPORT AUTHORITY

SUBCHAPTER I

GENERAL PROVISIONS

§ 7001. Title

This chapter shall be known and may be cited as the "Mountain Resorts Airport Authority Act."

§ 7002. Purpose

It is declared that there is a statewide need for new airports to ensure the preservation and betterment of the economy of the State of Maine and inhabitants by providing runways, air terminals and related facilities, to stimulate new industry and recreational projects within the State of Maine, and to service the present facilities and recreational projects within the State. The Mountain Resorts Airport Authority is created to encourage the expansion of air facilities to further general business and recreational expansion in the mountain resort areas of the State of Maine.

§ 7003. Definitions

As used in this chapter, the following words and terms shall have the following meanings unless the context shall indicate another or different meaning or intent:

1. Airport. "Airport" shall mean runways, clearance rights, hangars, administration buildings and other related facilities for air traffic. It is intended that this shall include but not be limited to roads, sewage collection and treatment facilities, water collection and distribution facilities, power generation and distribution facilities, public facilities, shops and commercial centers, housing for employees and others, dumps and incinerators, docks and ramps for water access, park and recreation areas, parking facilities and any other facilities deemed necessary for the successful operation of such airport.

2. Cost of project. "Cost of project" shall mean the cost or fair market value of real estate improvements, lands, new and used machinery and equipment, including the installation thereof, property rights, easement, franchises, financing charges, interest, engineering and legal services, plans, specifications, surveys, cost estimates, studies and other expenses as may be necessary or incidental to the development, construction, financing and placing in operation of an airport.

SUBCHAPTER II

CREATION AND OPERATION OF AUTHORITY

§ 7051. Organization of authority

The Mountain Resorts Airport Authority, hereby created and established, a body corporate and politic, is constituted a public instrumentality of the State, and the exercise by the authority of the powers conferred by this chapter shall be deemed and held to be the performance of essential governmental functions. The Mountain Resorts Airport Authority shall consist of the Director of the Maine Aeronautics Commission, Director of the Parks and Recreation Commission, Manager of the Maine Recreation Authority, to serve during their incumbency of their said offices, and 4 members at large appointed by the Governor for a period of 3 years. Any vacancy in the office of an appointed member, other than by expiration, shall be filled in like manner as the original appointment, but only for the remainder of the term of the retiring member. Appointed members may be removed by the Governor and Council for cause. Members of the authority appointed by the Governor shall hold their respective offices until their successor is appointed and qualified. All members appointed by the Governor shall take the oath required of civil officers by the Constitution and make return of same to the office of the Secretary of State. The authority shall elect one of its members as chairman, another as vice-chairman, and another to serve as secretary-treasurer to serve at the pleasure of the authority. The secretary-treasurer shall be bonded as the authority shall direct. Four members of the authority shall constitute a quorum and the affirmative vote of 4 members shall be necessary for any action taken by the authority. No vacancy in the membership of the authority shall impair the right of the quorum to exercise all rights and perform all the duties of the authority.

All members of the authority may be reimbursed for their actual expenses necessarily incurred in the performance of their duties.

§ 7052. Powers

The authority is authorized and empowered:

1. Bylaws. To adopt bylaws for the regulation of its affairs and the conduct of its business;
2. Seal. To adopt an official seal and alter the same at pleasure;
3. Office. To maintain an office at such place or places within the State as it may designate;
4. Sue and be sued. To sue and be sued in its own name, plead and be impleaded; any and all civil actions against the authority shall be brought only in the county in which the principal office of the authority shall be located.
5. Airports. To construct or acquire, extend, enlarge, repair or improve airports in the mountain resort regions within the State as may be determined by the authority.
6. Land. To acquire land for and build and maintain roads for ingress and egress to said airports, as determined necessary by the authority.
7. Bonds. To issue revenue bonds of the authority for any of its corporate purposes, payable solely from the rentals and revenues pledged from, and to refund its bonds, and to secure any issue of such bonds by a trust agreement by and between the authority and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the State;
8. Loans. To make temporary loans to finance individual projects until such time as the authority may deem it advantageous to issue revenue bonds on said projects;
9. Rentals and charges. To fix, alter, charge and collect rentals and other charges for use of airports, and associated facilities financed under this chapter, at rates to be determined by it, for the purpose of providing for the payment of the expenses of the authority, the improvement, repair and maintenance of such projects, the payment of the principal of and the interest on its revenue bonds, and to fulfill the terms and provisions of any agreement made with the purchasers or holders of any such bonds;
10. Property. To acquire, hold and dispose of real and personal property in the exercise of its powers and the performance of its duties under this chapter;
11. Acquisitions. To acquire in the name of the authority, by purchase or otherwise, on such terms and conditions and in such manner as it may deem proper by the exercise of the power of eminent domain, such lands or rights therein as may be necessary to carry out the purposes of this chapter;

12. **Contracts.** To make and enter into all contracts, leases and agreements necessary or incidental to the performance of its duties and the execution of its powers under this chapter;

13. **Services of others; employees.** To utilize the services of agencies and departments of the State whenever feasible, and to employ such persons, consultants, and agents as may be necessary in its judgment, and to fix compensation therefor;

14. **Gifts and loans.** To accept gifts, grants and loans from the Federal Government or any of its agencies, private individuals and corporations, and the State or any of its agencies or subdivisions;

15. **Other acts.** To do all acts and things necessary or convenient to carry out the powers expressly granted in this chapter.

§ 7053. Conveyances

Any municipality, quasi municipal corporation, county or other governmental subdivision is authorized to convey to the authority property, rights, easements and other interests which may be necessary or convenient for the construction and operation of any project and upon such terms as may be agreed upon between the authority and the governmental subdivision. Any governmental subdivision may contract with the authority for the lease or use of any project financed under this chapter for such period and upon such consideration and on such terms and conditions as the governmental subdivision and the authority shall determine to be public interest, and upon an affirmative vote of the governing body thereof, and agreement by the authority may accept all assets and liabilities or any project of the authority within or adjacent to its corporate limits.

§ 7054. Revenue bonds

The authority is authorized to provide by resolution, at one time or from time to time, for the issuance of revenue bonds of the authority not to exceed \$20,000,000 outstanding at any one time for the purpose of paying all or any part of the cost of any project or projects and for any purpose authorized in this chapter. The principal of and the interest on such bonds shall be payable solely from the funds provided for such payment. The bonds of each issue shall be dated, and shall bear interest at such rate or rates as are acceptable to the authority, shall mature at such time or times not exceeding 40 years from the date or dates as may be determined by the authority and may be made redeemable before maturity, at the option of the authority, at such prices or price and under such terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the State. The bonds shall be signed by the chairman of the authority or shall bear his facsimile signature, and the official seal of the authority shall be impressed thereon and attested by the secretary and treasurer of the authority, and any coupons attached thereto shall bear the facsimile signature of the chairman of the authority.

In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery. All bonds issued under this chapter shall have and are declared to have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code. The bonds may be issued in coupon or in registered form, or both, as the authority may determine, and provision may be made for the registration of any coupon bonds as to principal alone and as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The authority may sell such bonds in such manner, either at public or at private sale and for such price as it may determine to be for the best interests of the authority.

The proceeds of the bonds shall be used solely for the payment of the cost of the project and shall be disbursed in such manner and under such restrictions, if any, as the authority may provide in the resolution authorizing the issuance of such bonds or in any trust agreement securing the same.

Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts, notes or temporary bonds, with or without coupons which may be exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The authority may provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under this chapter without obtaining the consent of any department, division, commission, board, bureau or agency of the State, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required under this chapter.

§ 7055. Payment of bonds

Revenue bonds issued under this chapter shall not be deemed to constitute a debt of the State of Maine nor a pledge of the credit of the State, but such bonds shall be payable solely from the funds provided therefor, and a statement to that effect shall be recited on the face of the bonds.

§ 7056. Authority of local development corporation

Inasmuch as no profit can inure to the benefit of any individual, firm or corporation as a member of the authority, the Mountain Resorts Airport Authority shall be considered a local development corporation within the requirements of Maine Industrial Building Authority Act and the Maine Recreation Authority Act and these agencies may insure the payment of its obligation equally as though it had been incorporated under Title 13, chapter 81.

§ 7057. Trust funds

Notwithstanding any other law, all moneys received pursuant to the authority of this chapter, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this chapter. The resolution authorizing the bonds of any issue or any trust agreement securing such bonds shall provide that any officer

with whom, or any bank or trust company with which, such moneys shall be deposited shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations under this chapter, and such resolution or trust agreement may provide.

§ 7058. Remedies

Any holder of bonds issued under this chapter, or any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by such trust agreement, may, by civil action, mandamus or other proceeding, protect and enforce any and all rights under the laws of the State or granted hereunder or under such trust agreement or the resolution authorizing the issuance of such bonds, and may enforce and compel the performance of all duties required by this chapter, or by such trust agreement or resolution to be performed by the authority or by any officer thereof.

§ 7059. Revenue refunding bonds

The authority is authorized to provide by resolution for the issuance of revenue bonds of the authority for the purpose of refunding any bonds then outstanding which shall have been issued under this chapter, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such bonds; and, if deemed advisable by the authority, for the additional purpose of constructing enlargements, extensions or improvements of the project or projects in connection with which the bonds to be refunded shall have been issued or constructing or acquiring any additional project or projects. The issuance of such bonds, the maturities and other details thereof, the rights of the holders thereof and the rights, duties and obligations of the authority in respect of the same shall be governed by this chapter, insofar as the same may be applicable.

§ 7060. Transfer to governmental subdivision

When the bonds issued under this chapter in connection with any project and the interest thereon shall have been paid or a sufficient amount for the payment of such bonds and the interest thereon to the maturity thereof shall have been set aside in trust for the benefit of the bondholders, such project may be conveyed by the authority to an encompassing or adjoining governmental subdivision.

§ 7061. Bonds eligible for investment

Revenue bonds and revenue refunding bonds issued under this chapter are made securities in which all public officers and public bodies of the State and its political subdivisions, all insurance companies, trust companies and their commercial departments, banking associations, investment companies, savings banks, executors, trustees and other fiduciaries, and all other persons who are now or may hereafter be authorized to invest in bonds or other obligations of a similar nature, may properly and legally invest funds, including pension and retirement funds or capital under their control or belonging to them. Such bonds are made securities which may properly and legally be deposited with and received by any state or municipal officer or

any agency or political subdivision of the State for any purpose for which the deposit of bonds may be authorized by law.

§ 7062. Additional method

The issuance of revenue bonds or revenue refunding bonds under this chapter need not comply with the requirements of any other law applicable to the issuance of bonds.

§ 7063. Construction of chapter

This chapter, being necessary for the welfare of the State and its inhabitants, shall be liberally construed to effect the purposes thereof.

§ 7064. Taxes

As the exercise of the powers granted by this chapter will be in all respects for the benefit of the people of the State and for the improvement of their economic welfare and as projects constructed under said chapter constitute public property, the authority shall not be required to pay any taxes or assessments upon any of its property or any project or any part thereof, or upon the income therefrom, and any bonds issued under this chapter, their transfer and the income therefrom, including any profit made on the sale thereof, shall at all times be free from taxation within the State.

§ 7065. Municipal rights

The authority shall have all the rights, powers and duties vested by law in a municipality, particularly as pertains to police powers, roads, streets and highways and other public works, planning zoning and regulation of buildings, and shall be able to participate in all State and Federal subsidies, grants in aid and assistance, equally as well as if it were an actual incorporated municipality. Should any of its properties lie within a presently incorporated municipality, or a later incorporated municipality, then such municipal rights shall cease and be vested in the municipality, except those rights actually pertaining to the construction and operation of an airport.