

(EMERGENCY) FIRST SPECIAL SESSION

ONE HUNDRED AND SEVENTH LEGISLATURE

Legislative Document

No. 2208

H. P. 2035 Approved for Introduction by a Majority of the Committee on Reference of Bills Pursuant to Joint Order S. P. 635 as amended. Referred to the Committee on Public Utilities. Sent up for concurrence and ordered printed.

EDWIN H. PERT, Clerk

Presented by Mrs. Mitchell of Vassalboro.

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED SEVENTY-SIX

AN ACT to Remove the Vassalboro Sanitary District from the Kennebec Sanitary District Before the Kennebec District Issues Bonds this Spring.

Emergency preamble. Whereas, Acts of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, the 105th Legislature in regular session enacted the Kennebec Sanitary Treatment District to supply the municipalities of Waterville, Winslow, Fairfield, Benton and Vassalboro with a joint sewage treatment system; and

Whereas, the municipalities of Waterville, Winslow, Fairfield and Benton duly accepted the Act creating the Kennebec Sanitary Treatment District; and

Whereas, the Town of Vassalboro created the Vassalboro Sanitary District under the general laws; and

Whereas, the Town of Vassalboro thereafter voted to accept the Act creating the Kennebec Sanitary Treatment District, and validated such proceedings by Act of the Legislature; and

Whereas, the Town of Vassalboro receives no services from the Kennebec Sanitary Treatment District but is faced with excessively high assessment and obligations from an impending issue of bonds; and

Whereas, the trustees of the Vassalboro District wish to withdraw from the district in order to pursue a more financially feasible alternative available under the general laws; and Whereas, the Kennebec Sanitary District trustees at a meeting on January 21, 1976, agreed to Vassalboro's decision, provided that the district would seek to withdraw by legislative Act prior to the next issue of bonds this spring; 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 & SL 1973, c. 81, § 1, 1st sentence is amended to read:

The organization of the territory and inhabitants therein of the municipalities of Waterville, Winslow, Fairfield Benton and Vassalboro and Benton into a body corporate and politic under the name of "Kennebec Sanitary Treatment District" is validated and confirmed.

Sec. 2. P & SL 1971, c. 45, § 1, 1st sentence is amended to read:

The territory and inhabitants therein of the municipalities of Waterville, Winslow, Fairfield Benton and Vassalboro and Benton are created a body corporate and politic under the name of "Kennebec Sanitary Treatment District" for the purpose of providing the inhabitants of said district with a system of public sewage disposal constructed, maintained and operated for the public health and welfare and for the benefit of said residents and of the property therein in the manner and with the rights, duties and immunities hereinafter in this Act set forth.

Sec. 3. P & SL 1971, c. 45, § 1, 3rd sentence, as repealed and replaced by P & SL 1973, c. 81, § 2, is amended to read:

Said municipalities the Vassalboro Sanitary District and the Waterville Sewerage District shall continue to own, maintain and operate their own collector sewer and storm drain systems, and may, if they choose to do so, own, maintain and operate interceptor sewers and pumping stations with appurtenances and facilities in connection therewith.

Sec. 4. P & SL 1971, c. 45, § 2, as last amended by P & SL 1973, c. 81, § 3, is further amended to read:

Sec. 2. Transfer of property and assets. In the event that the trustees of the district find that any of the sewer system or property or properties of said towns or the Vassalboro Sanitary District or Waterville Sewerage District shall be necessary to carry on the functions of the district, the trustees of the district shall request that the title to such sewer property be conveyed to the district and in that event said towns or the Vassalboro Sanitary District or said Waterville Sewerage District by its municipal officers or trustees, respectively, are authorized to convey such properties without payment of consideration. A fair charge may be made to the district for fee simple title to any land conveyed to it by said towns or the Vassalboro Sanitary District or Waterville Sewerage District.

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Sec. 5. P & SL 1971, c. 45, § 3, 1st 4 sentences are repealed and the following enacted in place thereof:

All of the affairs of said district shall be managed by a board of 10 voting trustees.

Sec. 6. P & SL 1971, c. 45, § 3, 6th sentence, as amended by P & SL 1973, c. 81, § 4, is further amended to read:

None of said trustees shall be a town official, except that the 5 trustees from Waterville may include members of the Board of Commissioners of the Waterville Sewerage District and except that the trustee from Vassalboro may be a member of the board of trustees of the Vassalboro Sanitary District.

Sec. 7. P & SL 1971, c. 45, § 3, 2nd ¶ is amended to read:

The initial terms of the trustees shall be in accordance with the following table:

	Number of		Term	
Municipality	Trustees	ı year	2 year	3 year
Waterville	5	2	I	2
Winslow	2	I		I
Fairfield	2	I		I
Benton	I		I	
Vassalboro	Ŧ		Ŧ	

Thereafter the terms shall be for a 3-year period.

Sec. 8. P & SL 1971, c. 45, § 8, 2nd ¶, 1st sentence, as last amended by P & SL 1973, c. 81, § 5, is further amended to read:

Without limiting the generality of the foregoing provisions of this section, any person or corporation other than a municipal or quasi-municipal corporation, may enter into an agreement pursuant to which the district as part of a project of its own or separately, will construct facilities for the purpose of pretreating and transporting to the district's treatment facilities, either directly or through the sewerage system of another municipal or quasi-municipal corporation, sewage from or for the benefit of such person or corporation, herein sometimes called a "private user," and to finance the cost of such construction provided, however, that any such agreement shall provide that before any such construction or financing thereof is undertaken by the district, such private user or users shall have paid to the district or made provisions for the payment to the district of, said private user's or users' fair share of the unfunded capital and financing costs of such construction or financing, as defined in section 15, and that if and to the extent the fair share of the costs of operating such facilities constructed for the private user or users will not be included in rates, tolls, rents or other charges payable to said towns or the Vassalboro Sanitary District or the Waterville Sewerage District, such private user or users shall pay the same to the district.

Sec. 9. P & SL 1971, c. 45, § 13, 1st sentence, as last amended by P & SL 1973, c. 81, § 6, is further amended to read:

The district, through its trustees and without vote of its inhabitants, is authorized to issue from time to time bonds or notes of the district to pay for: The costs of capital outlay incurred by the district in connection with accomplishing its purposes, including any necessary expenses and liabilities in acquiring properties, renovating properties, laying pipes, conduits, drains, interceptor lines, trunk sewers, construction of treatment plants, laboratories and other waste water and sewage facilities and also including organizational expenses and liabilities incurred or owned by the district and payment to or for the benefit of said towns or the Vassalboro Sanitary District or Waterville Sewerage District for expenses or liabilities made or incurred by said towns or district for organizing the district; purchasing design plans and specifications for the initial interceptor sewers, force mains, pumping stations and treatment facilities and other engineering expenses and costs which the said towns or the Vassalboro Sanitary District and Waterville Sewerage District have incurred; renewals, additions, replacements, extensions and improvements to the district's properties; interest during the period of construction and for a period not exceeding one year thereafter; and the establishment of a reasonable reserve for future payments of debt service on district debt which reserves shall not exceed for any issue of serial bonds or notes, the amount of interest and principal payable on account of such issue averaged for each year except the last in which principal of such issue is payable.

Sec. 10. P & SL 1971, c. 45, § 13, 4th \P , 1st sentence, as last amended by P & SL 1973, c. 81, § 7, is further amended to read:

For the purpose of paying expenses of operation, including without limitation, any principal or interest due or about to become due on any bond or note issued by the district for which funds are not then available, the district, through its trustees and without vote of its inhabitants, is authorized to issue from time to time temporary notes of the district in anticipation of revenue to be received by the district within the fiscal year in which such temporary notes are issued from amounts apportioned to said towns or the Vassalboro Sanitary District or the Waterville Sewerage District as provided in section 16 and from sums due or to be due the district under agreements with users under section 8.

Sec. 11. P & SL 1971, c. 45, § 13, 4th \P , 3rd sentence, as last amended by P & SL 1973, c. 81, § 8, is further amended to read:

In the event such temporary notes are issued before such apportionments to said towns and the Vassalboro Sanitary District and Waterville Sewerage District for that year have been certified, the principal amount of such notes may not exceed the estimated amount of such apportionments as determined by the trustees.

Sec. 12. P & SL 1971, c. 45, § 15, 1st [], and sentence, as last amended by P & SL 1973, c. 81, § 9, is further amended to read:

The district trustees shall also determine the portion of the total sums to be raised for the calendar year, the amounts to be apportioned to said towns the Vascalboro Sanitary District and the Waterville Sewerage District.

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Sec. 13. P & SL 1971, c. 45, § 15, 2nd \P , 1st sentence, as last amended by P & SL 1973, c. 81, § 10, is further amended to read:

Said total anticipated sums necessary for the operation and maintenance shall be the total of sums required in any year for unfunded capital costs and financing costs plus costs of operation less funds on hand or in the judgment of the trustees to be received during said year from other than said towns the Vassalboro Sanitary District and Waterville Sewerage District and available or to be available within said year to pay unfunded capital costs and financing costs or operating costs, as the case may be.

Sec. 14. P & SL 1971, c. 45, § 15, last ¶, as last amended by P & SL 1973, c. 81, § 11, is further amended to read:

If a surplus exists at the end of a calendar year, it may be transferred to a surplus account which shall not exceed \$25,000 or 3% of the total sum apportioned in the prior calendar year to said towns the Vassalboro Sanitary Distriet and Waterville Sewerage District, whichever is the larger. The trustees may add to the sinking fund, if any, so much of any excess over said limitations as they determine advisable, and any remainder shall be credited on an equitable basis against sums otherwise to be apportioned to said towns, the Vassalboro Sanitary District the Waterville Sewerage District and any persons, firms or corporations other than said towns and sewer districts district under contract to pay for the use of the district's facilities during the year as at the end of which such surplus was created.

Sec. 15. P & SL 1971, c. 45, § 16, 1st paragraph, as last amended by P & SL 1973, c. 81, § 12, is further amended to read:

The trustees shall annually apportion the amount determined under section 15 between said towns the Vassalboro Sanitary District and the Waterville Sewerage District, sometimes referred to as public users, on the following basis:

Sec. 16. P & SL 1971, c. 45, § 16, sub-§ 1, as last amended by P & SL 1973, c. 81, § 13, is further amended to read:

1. Unfunded capital costs and financing costs shall be apportioned in the ratio of the percentage of use capability of the district's facilities as between said towns the Vassalboro Sanitary District and Waterville Sewerage District, and

Sec. 17. P & SL 1971, c. 45, § 16, sub-§ 2, 1st sentence, as last amended by P & SL 1973, c. 81, § 14, is further amended to read:

Operating costs shall be apportioned according to the estimated use of the district's facilities to be made by said towns the Vassalboro Sanitary District and Waterville Sewerage District until such facilities have been in operation for one calendar year as determined by the trustees.

Sec. 18. P & SL 1971, c. 45, § 16, 6th \P , 1st sentence, as last amended by P & SL 1973, c. 81, § 15, is further amended to read:

The amount so apportioned for each public user shall prior to February 1st in each year be certified by the trustees to the assessors of said towns to the trustees of the Vassalboro Sanitary District and the commissioners of Waterville Sewerage District.

Sec. 19. P & SL 1971, c. 45, § 16, 6th ¶, 4th sentence, as enacted by P & SL 1973, c. 81, § 16, is repealed.

Sec. 20. P & SL 1971, c. 45, § 17, 1st sentence, as last amended by P & SL 1973, c. 81, § 17, is further amended to read:

Said towns the Vassalboro Sanitary District and Waterville Sewerage District shall pay for services provided by the district through the payment of their apportioned shares under section 16.

Sec. 21. P & SL 1971, c. 45, § 17, 3rd [], 1st, 2nd and 3rd sentences, as last amended by P & SL 1971, c. 81, § 18, is further amended to read:

Rates, tolls, rents and entrance charges by the district, said towns the Vassalboro Sanitary District and the Waterville Sewerage District shall be uniform within their respective territories except as provided in this section. Notwithstanding the foregoing sentence, the municipal officers of said towns, the trustees of the Vassalboro Sanitary District the commissioners of Waterville Sewerage District and the trustees of the district, as the case may be, may establish rates, tolls, rents or entrance charges higher than the regular rates, tolls, rents and entrance charges otherwise applicable whenever the cost of installation or maintenance of sewers or their appurtenances or the cost of service is or is expected to be substantially higher for a particular section or area the boundaries of which shall be established after a public hearing, notice of which shall be published at least 2 times in a newspaper having a circulation in the district, the first such publication to be not later than 14 days before the date of the hearing and the last such publication to be not later than 5 days before said date. In order to recover such portion or all of such higher cost of construction or maintenance, or the cost of service, said municipal officers, the trustees of the Vassalboro Sanitary District commissioners of the Waterville Sewerage District or trustees of the district, as the case may be, shall first determine the added costs which are fairly allocable to such section or area and the reasons therefor.

Sec. 22. P & SL 1971, c. 45, § 18, last ¶, as last amended by P & SL 1973, c. 81, § 20, is further amended to read:

The owner losing his real estate pursuant to such lien may recover from the town Vassalboro Sanitary District or Waterville Sewerage District having the obligation to pay said rate, toll, rent, charge or payment due.

Emergency clause. In view of the emergency cited in the preamble, this Act shall take effect when approved.

STATEMENT OF FACT

In 1973 the Vassalboro Sanitary District joined the Kennebec Sanitary Treatment District with the hope of solving the sewerage disposal problem

shared by a number of Vassalboro residents. A key part of the participation of the Vassalboro Sanitary District was to be the treatment of Vassalboro sewerage at the treatment plant in Waterville through the joint use of an interceptor sewer line by Winslow and Vassalboro. This interceptor line is not constructed and there is no plan to construct it in the foreseeable future. Under the charter of the Kennebec Sanitary Treatment District the Vassalboro Sanitary District is obliged to pay a part of the treatment plant capital cost and operating cost even though the Vassalboro Sanitary District will not be able to use the facility. In addition the current assessed cost to the Vassalboro Sanitary District far exceeds the original projected cost. In order to pursue a more financially feasible alternative in treating its sewerage, the trustees of the Vassalboro Sanitary District now wish to withdraw from the Kennebec Sanitary Treatment District. The trustees of the Kennebec Sanitary Treatment District have acquiesced in this decision provided that the withdrawal can be accomplished without adverse affect on the notes and bonds of the Kennebec Sanitary Treatment District. The Kennebec Sanitary Treatment District has made application to the Maine Municipal Bond Bank for inclusion of its bonds in the spring issue by the bond bank. If the Vassalboro Sanitary District is to withdraw from the Kennebec Sanitary Treatment District, and not be liable on the bonds, this action must be done before March 1st.