

MAINE STATE LEGISLATURE

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ONE HUNDRED AND EIGHTH LEGISLATURE

Legislative Document

No. 1503

H. P. 1333

House of Representatives, April 13, 1977

Reported by Mr. Kelleher from the Committee on Public Utilities, and
printed under Joint Rules No. 2.

EDWIN H. PERT, Clerk

STATE OF MAINE

IN THE YEAR OF OUR LORD NINETEEN HUNDRED
SEVENTY-SEVEN

AN ACT to Authorize the Transfer of all Assets and Liabilities of the Patten Water District to the Town of Patten and the Dissolution of the Patten Water District.

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

Whereas, the Patten Water District is experiencing financial difficulties and is unable to adequately maintain its water system to provide the inhabitants of the Town of Patten with a sufficient water supply; and

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

Whereas, to remedy these conditions, immediate work to repair the entire water system is necessary; and

Whereas, the Patten Water District, because of its financial condition, is unable to provide the necessary repairs; and

Whereas, the future water supply for the inhabitants of the Town of Patten is in jeopardy; 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. Town of Patten authorized to acquire property of Patten Water District. The Town of Patten is authorized, under the terms contained in this Act, to acquire all, but not less than all, of the plant, properties, assets, franchises, rights and privileges owned by the Patten Water District including, without limitation, all lands, buildings, waters, water rights, springs, wells, reservoirs, tanks, standpipes, mains, pumps, pipes, machinery, fixtures hydrants, meters, services, tools, equipment and appliances used or useful in supplying water for domestic, commercial, industrial and municipal purposes. The consideration to be paid therefor shall be the assumption by the Town of Patten of all of the outstanding debts, obligations and liabilities of the Patten Water District including, without limitation, the assumption by the Town of Patten of any outstanding notes or bonds of the Patten Water District that are due on or after the date of transfer.

Sec. 2. Patten Water District required to sell property to the Town of Patten. Patten Water District, a quasi-municipal corporation organized and existing pursuant to chapter 73 of the private and special laws of 1945 and chapter 91 of the private and special laws of 1957, shall sell, transfer and convey by appropriate instruments of conveyance all, but not less than all, of its plants, properties, assets, franchises, rights and privileges including, without limitation, all lands, buildings, water rights, springs, wells, reservoirs, tanks, standpipes, mains, pumps, pipes, machinery, fixtures, hydrants, meters, services, tools, equipment and appliances used or useful in supplying water for domestic, commercial, industrial and municipal purposes to the Town of Patten in consideration of the assumption by the Town of Patten of all of the outstanding debts, obligations and liabilities of the Patten Water District including, without limitation, the assumption of any outstanding notes or bonds of the Patten Water District that are due on or after the date of transfer.

Sec. 3. Approval of Public Utilities Commission. The sale and transfer by the Patten Water District to the Town of Patten of its plant, properties, assets, franchises, rights and privileges, and the acquisition thereof by the Town of Patten and the assumption by the Town of Patten of all of the outstanding debts, obligations and liabilities of the Patten Water District pursuant to sections 1 and 2 shall be subject to such approval of the Public Utilities Commission as may be required by applicable provisions of the Maine Revised Statutes, Title 35, Part 1.

Sec. 4. Contracts of Patten Water District assumed by the Town of Patten. All contracts between Patten Water District and any person, firm or corporation, relating to supplying water, which are in effect on the date of the transfer by the water district to the Town of Patten shall be assumed and carried out by the Town of Patten.

Sec. 5. Act void unless property of Patten Water District is acquired. If the plant, properties, assets, franchises, rights and privileges owned by the Patten Water District shall not have been acquired by the Town of Patten pursuant to the provisions of this Act prior to January 1, 1978, then this Act shall become null and void on that date.

Sec. 6. Dissolution and termination of Patten Water District; pledge of revenues. If and when all debts, obligations and other liabilities of Patten Water District have been paid in full and discharged, or the holders or owners of all such debts, obligations and other liabilities which have not been paid in full and discharged have assented to the assumption thereof by the Town of Patten and to the novation and substitution of the Town of Patten as obligor in respect thereto in place of Patten Water District, the clerk of Patten Water District shall file a certificate to that effect with the Secretary of State and the corporate existence of Patten Water District shall thereupon cease and terminate. Until the corporate existence of Patten Water District shall have ceased and terminated pursuant to this section, the gross revenues derived by the Town of Patten from the sale of water within the Town of Patten shall be applied first to the payment of expenses fairly allocable to the operation of the water system in said town and second to payments of debts, obligations and other liabilities of Patten Water District assumed by the Town of Patten pursuant hereto.

Referendum; emergency; effective date; certificate to Secretary of State. In view of the emergency cited in the preamble, this Act shall take effect when approved and shall be submitted to the legal voters of the Town of Patten at any regular meeting or at any special meeting called and held for the purpose within 3 months after the effective date of this Act. Such special meeting shall be called, advertised and conducted according to the law relating to municipal elections, provided that the registrar of voters shall not be required to prepare for posting nor the town clerk to post a new list of voters. For the purpose of registration of voters, the registrar of voters shall be in session the 3 secular days next preceding such meeting.

The subject matter of this Act shall be reduced to the following question:

“Shall ‘An Act to Authorize the Transfer of all Assets and Liabilities of the Patten Water District to the Town of Patten and the Dissolution of the Patten Water District,’ as passed by the First Regular Session of the 108th Legislature, be accepted?”

The voters shall indicate in the usual manner their opinion of the same.

This Act shall take effect for all the purposes thereof immediately upon its acceptance by a majority of the legal voters at said meeting; provided that the total number of votes cast for and against the acceptance of this Act at said meeting equals or exceeds 10% of the total vote for all candidates for Governor in said town at the last preceding gubernatorial election, but failure of approval by the necessary percentage of voters at any such meeting shall not prevent a subsequent meeting or meetings to be held for said purpose within the time limitation of this Act.

The result of the votes shall be declared by the municipal officers of the Town of Patten and due certificates thereof shall be filed by the clerk of said town with the Secretary of State.

STATEMENT OF FACT

The purpose of this bill is to transfer all assets and liabilities of the Patten Water District to the Town of Patten to dissolve the water district and to allow the town to operate all water facilities. A referendum is required.