

MAINE STATE LEGISLATURE

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STATE OF MAINE (Filing No. H-1178)
HOUSE OF REPRESENTATIVES
108TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to H.P. 2164, L.D. 2173, Bill,
"AN ACT to Incorporate the Vinalhaven Water District."

Amend the Bill by striking out all of section 1 and inserting
in its place the following:

'Sec. 1. Territorial limits; corporate name and purpose. The
inhabitants of the territory of the Vinalhaven Water District as
defined herein are hereby created a body politic and corporate
under the name of the "Vinalhaven Water District" for the purpose
of supplying the district and the inhabitants thereof and others
with pure water for domestic, sanitary, commercial, industrial,
agricultural and municipal purposes. The territory of the
district shall be comprised of all / ^{real property} served by the Vinalhaven
Water Company as of the day on which the referendum question, as
defined in section 17, is accepted by the inhabitants of the district.
All inhabitants of legal voting age served by the Vinalhaven
Water Company shall be eligible to vote on the referendum
question as defined in section 17. Following approval of the
referendum question all inhabitants residing or doing business
within the district and served by the district shall be deemed
eligible voters of the district, except that anyone who moves
outside the district and is no longer served by the district
shall not be a legal voter or inhabitant of the district.'

Further amend the Bill by striking out all of section 7 and inserting in its place the following:

'Sec. 7. Board of trustees. All of the affairs of the district shall be managed by a board of 3 trustees, resident of the district, who shall be elected by Australian ballot at a special district meeting as soon as possible following the acceptance of this Act.

The terms of the members of the board shall be as follows:
One member shall / ^{serve} for one year from the date of the first election following acceptance of this Act; one member shall serve for 2 years from the date of the first election following such

member shall serve acceptance; and one / serve for 3 years from the date of the first election following such acceptance. Following the expiration of each of the terms of the first 3 trustees of the district, their successors shall be elected for 3-year terms. The trustees shall serve until their successors are elected and qualified. Trustees shall be eligible for reelection.

Whenever any trustee ceases to be a resident in the water district, he vacates the office of trustee. Vacancies in the office of trustee shall be filled by a special district election, except that a vacancy occurring within 6 months of the expiration of a trustee's term of office may be filled by appointment by the municipal officers of a successor residing in the district to serve the unexpired portion of the term in which the vacancy occurs.'

Further amend the Bill by striking out all of section 8 and inserting in its place the following:

'Sec. 8. Trustees; how appointed; vacancies. As soon as convenient after their election, the first board of trustees shall hold a meeting at some convenient place in the district, to be called by any member thereof in writing, designating the time and place and delivered in hand to the other members, not less than 2 full days before the meeting; provided that they may meet by agreement without such notice. They shall organize by electing from their own number a chairman and a clerk and, not necessarily from their own number, a treasurer. They shall adopt a corporate seal and may adopt bylaws and perform any other acts within the powers delegated to them by law.

Following each annual election of the district, the trustees shall elect from their own number a chairman and a clerk and, not necessarily from their own number, a treasurer to serve until the annual district meeting and until their respective successors are elected and qualified.

The trustees shall have the same powers and perform the same duties as otherwise are exercised and performed by the selectmen of towns for the calling and holding of district elections and for the correction and preparation of lists of persons qualified to vote in the district.

All meetings of the district shall be presided over by the chairman of the board of trustees who shall have the same authority as moderators of town meetings. District meetings shall be conducted in the same manner as town meetings.

The trustees from time to time may choose and employ and fix the compensation of any other necessary officers and agents, who shall serve at their pleasure. The treasurer shall furnish bond in such sum and with such sureties as the trustees shall approve, the cost thereof to be paid by the district. Members of the board of trustees shall be eligible to any office under the board. The trustees, as such, shall be compensated by a sum not to exceed \$200 per year, which sum shall be set by the selectmen.

The trustees shall be sworn to the faithful performance of their duties as such, which shall include the duties of any member who shall serve as clerk or clerk pro tempore. They shall make and publish an annual report, including a report of the treasurer, and such other reports as required by law.'

Further amend the Bill in section 12 in the first paragraph by striking out in the last 2 lines (last 3 lines in L.D.) the words and punctuation "in such amount or amounts bearing interest at such rate or rates, and having such terms and provisions as the trustees shall determine." and inserting in their place the following: ' the amount or amounts, not exceeding the sum of \$400,000 outstanding at any one time, bearing interest at such rate or rates, and having such terms and provisions as the trustees shall determine; provided that in the case of a vote by the trustees to authorize bonds or notes to pay for the acquisition of property, for the cost of a water system or part thereof, for renewal or additions or for other improvements in the nature of capital costs, the estimated cost of which, singly or in the aggregate included in any one financing is \$30,000 or more, or for renewing or refunding existing indebtedness, notice of the proposed debt and of the general purpose or purposes for which it was authorized shall be given by the clerk by publication at least once in a newspaper having a general circulation in the Town of Vinalhaven. No debt may be incurred under the vote of the trustees until the expiration of 7 full days following the date on which the notice was first published. Prior to the expiration of the period, the trustees may call a special district meeting for the purpose of permitting the voters of the district to express approval or disapproval of the amount of debt so authorized, and the trustees shall call a special district meeting, if within 7 days following the publication of the notice, there shall have been filed with the clerk of the district a petition or petitions signed by not less than 50 qualified voters of the district requesting that a special meeting be called. If at the district meeting a

majority of voters present and voting thereon expresses disapproval of the amount of debt authorized by the trustees, the debt shall not be incurred and the vote of the trustees authorizing the same shall be void and of no effect.'

Further amend the Bill in section 14 by adding at the end a new paragraph to read:

'The water rates, tolls, charges and rents shall be subject to the approval of the Public Utilities Commission, unless the district qualifies to be exempt from rate review by the commission according to ← → Public Law ← → 1977, chapter 75.'

Further amend the Bill by inserting after section 14 the following:

Sec. 15. Special meetings. Special meetings of the district may be called by the board of trustees at any time and notice of special meetings, stating the place and time thereof and the business to be transacted thereat shall be signed by the chairman or clerk of the board of trustees and shall be conspicuously posted in at least 2 public places within the district, not less than 7 days, inclusive of Sundays, before the meeting. Fifteen persons qualified to vote in the meetings shall constitute a quorum.

Sec. 16. Agreements. The district is authorized and empowered to enter into agreements with the State or Federal Government, or any agency of either, or any corporation, commission or board authorized by the State or Federal Government to grant or loan money to or otherwise assist in the financing of projects,

such as the district is authorized to carry out, and to accept grants and borrow money from any government agency, corporation, commission or board as may be necessary or desirable to enforce this Act. All notes and bonds with the maturity of more than one year, in connection with the water system only, shall first be approved by the Public Utilities Commission.'

Further amend the Bill in section 17 by striking out all of the 2nd sentence and inserting in its place the following: 'This election shall be called by the municipal officers of the Town of Vinalhaven and shall be held at the regular voting places.'

Further amend the Bill in section 17 in the first paragraph in the 4th line from the end (same in L.D.) by striking out the words "voters of" and inserting in their place the words 'voters in the water district in'

Further amend the Bill by renumbering sections 15, 16 and 17 to be sections 17, 18 and 19.

Statement of Fact

The intent of this amendment is to provide greater public protection and to enable the district to receive or borrow federal funds. This amendment establishes a debt limit for the water district and a public hearing procedure for review of proposed increases in the debt limit. In addition, the amendment writes into the charter that all rates will be under the jurisdiction of the Public Utilities Commission unless exempted by PL 1977, c. 75.

This amendment also changes the composition of the Vinalhaven

Water District. The bill included the entire town in the district. Since less than 1/3 of the population of the town will be actual users, the district is limited to the people served by the district. In addition, the amendment provides that the trustees will be elected rather than appointed by the municipal officers.

Reported by the Committee on Public Utilities.

Reproduced and distributed under the direction of the Clerk of the House.
3/16/78

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