

# MAINE STATE LEGISLATURE

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1 FIRST REGULAR SESSION  
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3 ONE HUNDRED AND ELEVENTH LEGISLATURE  
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5 Legislative Document

No. 1258

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7 S.P. 410

In Senate, March 17, 1983

8 Referred to the Committee on Public Utilities. Sent down for concurrence  
9 and ordered printed.

10 JOY J. O'BRIEN, Secretary of the Senate

11 Presented by Senator Twitchell of Oxford.

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12 STATE OF MAINE  
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14 IN THE YEAR OF OUR LORD  
15 NINETEEN HUNDRED AND EIGHTY-THREE  
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17 AN ACT for the Town of Bethel to Acquire  
18 the Assets and Liabilities of the Bethel  
19 Water District and for the Dissolution of the  
20 Bethel Water District.  
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22 Be it enacted by the People of the State of Maine as  
23 follows:

24 Sec. 1. Town of Bethel authorized to acquire  
25 property of Bethel Water District. The Town of Bethel  
26 is authorized, under the terms contained in this Act,  
27 to acquire all, but not less than all, of the plant,  
28 properties, assets, franchises, rights and privileges  
29 owned by the Bethel Water District including, without  
30 limitation, all lands, buildings, waters, water  
31 rights, springs, wells, reservoirs, tanks,  
32 standpipes, mains, pumps, pipes, machinery, fixtures,  
33 hydrants, meters, services, tools, equipment and  
34 appliances used or useful in supplying water for  
35 domestic, commercial, industrial and municipal pur-

1 poses. The consideration to be paid for them shall be  
2 the assumption by the Town of Bethel of all of the  
3 outstanding debts, obligations and liabilities of the  
4 Bethel Water District including, without limitation,  
5 the assumption by the Town of Bethel of any outstand-  
6 ing notes or bonds of the Bethel Water District that  
7 are due on or after the date of transfer.

8       **Sec. 2. Bethel Water District required to sell**  
9 **property to the Town of Bethel.** Bethel Water Dis-  
10 trict, a quasi-municipal corporation organized and  
11 existing pursuant to Private and Special Law 1967,  
12 chapter 48 and Private and Special Law 1981, chapter  
13 59, shall sell, transfer and convey by appropriate  
14 instruments of conveyance all, but not less than all,  
15 of its plants, properties, assets, franchises, rights  
16 and privileges including, without limitation, all  
17 lands, buildings, waters, water rights, springs,  
18 wells, reservoirs, tanks, standpipes, mains, pumps,  
19 pipes, machinery, fixtures, hydrants, meters, ser-  
20 vices, tools, equipment and appliances used or useful  
21 in supplying water for domestic, commercial, indus-  
22 trial and municipal purposes to the Town of Bethel in  
23 consideration of the assumption by the Town of Bethel  
24 of all of the outstanding debts, obligations and lia-  
25 bilities of the Bethel Water District including,  
26 without limitation, the assumption of any outstanding  
27 notes or bonds of the Bethel Water District that are  
28 due on or after the date of the transfer.

29       **Sec. 3. Approval of Public Utilities Commission.**  
30 The sale and transfer by the Bethel Water District to  
31 the Town of Bethel of its plant, properties, assets,  
32 franchises, rights and privileges and the acquisition  
33 of them by the Town of Bethel and the assumption by  
34 the Town of Bethel of all of the outstanding debts,  
35 obligations and liabilities of the Bethel Water Dis-  
36 trict, pursuant to sections 1 and 2, shall be subject  
37 to such approval of the Public Utilities Commission  
38 as may be required by applicable provisions of the  
39 Revised Statutes, Title 35, Part 1.

40       **Sec. 4. Contracts of Bethel Water District**  
41 **assumed by the Town of Bethel.** All contracts between  
42 Bethel Water District and any person, firm or corpo-  
43 ration relating to supplying water, which are in  
44 effect on the date of the transfer by the water dis-

1        trict to the Town of Bethel shall be assumed and car-  
2        ried out by the Town of Bethel.

3            **Sec. 5. Act void, unless property of Bethel**  
4        **Water District is acquired.** If the plant, properties,  
5        assets, franchises, rights and privileges owned by  
6        the Bethel Water District have not been acquired by  
7        the Town of Bethel, pursuant to this Act prior to  
8        December 31, 1984, this Act shall become void on that  
9        date.

10           **Sec. 6. Dissolution and termination of Bethel**  
11        **Water District; pledge of revenues.** If and when all  
12        debts, obligations and other liabilities of Bethel  
13        Water District have been paid in full and discharged,  
14        or the holders or owners of all such debts, obli-  
15        gations and other liabilities which have not been  
16        paid in full and discharged have assented to the  
17        assumption thereof by the Town of Bethel and to the  
18        novation and substitution of the Town of Bethel as  
19        obligor in respect thereto in place of Bethel Water  
20        District, the clerk of Bethel Water District shall  
21        file a certificate to that effect with the Secretary  
22        of State and the corporate existence of Bethel Water  
23        District shall cease and terminate. Until the corpo-  
24        rate existence of Bethel Water District shall have  
25        ceased and terminated pursuant to this section, the  
26        gross revenues derived by the Town of Bethel from the  
27        sale of water within the Town of Bethel shall be  
28        applied first to the payment of expense fairly allo-  
29        cable to the operation of the water system in the  
30        town and 2nd to payments of debts, obligations and  
31        other liabilities of Bethel Water District assumed by  
32        the Town of Bethel pursuant to this Act.

33           **Sec. 7. Referendum; effective date; certificate**  
34        **to Secretary of State.** This Act shall be submitted to  
35        the legal voters of the Town of Bethel at the state-  
36        wide election in November, 1983. The referendum shall  
37        be advertised and conducted according to the law  
38        relating to municipal elections.

39           The town clerk of the town shall prepare the re-  
40        quired ballots, on which he shall reduce the subject  
41        matter of this Act to the following question:

1 "Shall the Town of Bethel be authorized to ac-  
2 quire the assets and liabilities of the Bethel Water  
3 District and shall the Bethel Water District be dis-  
4 solved?"

5 The voters shall indicate by a cross or check  
6 mark placed against the words "Yes" or "No" their  
7 opinion of the same.

8 This Act shall take effect for all purposes  
9 immediately upon its acceptance by a majority of the  
10 legal voters voting at the election and further pro-  
11 vided that the total number of votes cast for and  
12 against the acceptance of this Act equals or exceeds  
13 20% of the total vote for all candidates for Governor  
14 cast in the Town of Bethel at the next previous  
15 gubernatorial election.

16 The result of the vote shall be declared by the  
17 municipal officers of the Town of Bethel and due cer-  
18 tificate thereof shall be filed by the town clerk  
19 with the Secretary of State.

20 STATEMENT OF FACT

21 This bill authorizes the Town of Bethel to ac-  
22 quire the Bethel Water District. The town would  
23 assume all the assets and liabilities of the dis-  
24 trict. Upon acquisition by the town, the district  
25 would be dissolved.

26 At present, the water district serves 428 meters  
27 and 53 fire hydrants in Bethel and West Bethel, with  
28 a total of about 55,000,000 gallons of water per  
29 year. This service would be continued by the town.  
30 The transfer will allow the town to improve overall  
31 efficiency by combining some functions with the town  
32 sewer department.

33 The outstanding debt of the district is about  
34 \$280,000, mostly in a long-term loan from the Farmers  
35 Home Administration. The assets were approximately  
36 \$450,000 at the end of 1982.

1           The bill must be approved by the voters of the  
2 Town of Bethel in referendum before the town may ac-  
3 quire the water district.

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