

MAINE STATE LEGISLATURE

The following document is provided by the
LAW AND LEGISLATIVE DIGITAL LIBRARY
at the Maine State Law and Legislative Reference Library
<http://legislature.maine.gov/lawlib>



Reproduced from scanned originals with text recognition applied
(searchable text may contain some errors and/or omissions)

1 (EMERGENCY)
2 SECOND REGULAR SESSION
3

4 ONE HUNDRED AND TWELFTH LEGISLATURE
5

6 Legislative Document

No. 1672

8 H.P. 1177

House of Representatives, December 17, 1985

9 Approved for introduction by a majority of the Legislative Council
10 pursuant to Joint Rule 26.

11 Received by the Clerk of the House on December 17, 1985. Referred to
the Committee on Utilities and 1,600 ordered printed pursuant to Joint Rule
14.

EDWIN H. PERT, Clerk

12 Presented by Representative Law of Dover-Foxcroft.

13 STATE OF MAINE
14

15 IN THE YEAR OF OUR LORD
16 NINETEEN HUNDRED AND EIGHTY-SIX
17

18 AN ACT Increasing the Indebtedness of the
19 Dover and Foxcroft Water District.
20

21 Emergency preamble. Whereas, Acts of the Legis-
22 lature do not become effective until 90 days after
23 adjournment unless enacted as emergencies; and

24 Whereas, the Dover and Foxcroft Water District
25 presently provides water and fire protection services
26 to the Dover-Foxcroft area residents; and

27 Whereas, the existing water supply of the Dover
28 and Foxcroft Water District recently became contami-
29 nated by the giardia parasite, and prudence dictates
30 that a similar contamination in the future be pre-
31 vented by a more efficient treatment system or the
32 acquisition of additional or alternative sources of
33 supply; and

1 Whereas, the costs involved will greatly exceed
2 the debt limitations imposed by law upon the Dover
3 and Foxcroft Water District; and

4 Whereas, in the judgment of the Legislature,
5 these facts create an emergency within the meaning of
6 the Constitution of Maine and require the following
7 legislation as immediately necessary for the preser-
8 vation of the public peace, health and safety; now,
9 therefore,

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

12 Sec. 1. P&SL 1863, c. 262, §6, as last amended
13 by P&SL 1925, c. 12, §1, is repealed.

14 Sec. 2. P&SL 1863, c. 262, §7, as last amended
15 by P&SL 1905, c. 54, §1, is repealed and the follow-
16 ing enacted in its place:

17 Sec. 7. Rates. All individuals, firms and corpo-
18 rations, whether private, public or municipal, shall
19 pay to the district the rates established by the wa-
20 ter board for all water used by them. These rates
21 shall be so established as to provide revenues for
22 the following purposes:

23 1. To pay the current expenses of operating and
24 maintaining the water system and provide for such ex-
25 tensions, renewals, replacement or alternative sys-
26 tems as may be necessary;

27 2. To provide for the payment of interest and
28 principle on the indebtedness created by the dis-
29 trict;

30 3. To provide each year a sum equal to not less
31 than 1% nor more than 5% of the entire indebtedness
32 created by the district, which sum shall be turned
33 into a sinking fund and there kept to provide for the
34 extinguishment of the indebtedness. Money set aside
35 for the sinking fund shall be devoted to the retire-
36 ment of the obligations of the district and invested
37 in such securities as savings banks in this State are
38 allowed to hold; and

1 4. If any surplus remains at the end of the year
2 it may be turned into a sinking fund.

3 Sec. 3. P&SL 1863, c. 262, §9, as last amended
4 by P&SL 1967, c. 21, is repealed and the following
5 enacted in its place:

6 Sec. 9. May hire money. The corporation, by res-
7 olutions of its water board without district vote or
8 public notice, is authorized to borrow money for any
9 purpose for which it is authorized to raise money by
10 taxation or for which it may establish rates and to
11 issue, from time to time, bonds, notes or other evi-
12 dences of indebtedness of the district up to a total
13 principal amount of \$150,000 at any one time out-
14 standing.

15 In the event the board resolves to issue notes,
16 bonds or other evidences of debt in excess of
17 \$150,000 principal amount at any one time outstand-
18 ing, the board shall provide notice to the general
19 public of the proposed bond or note issue and the
20 purposes for which the debt is being issued. The no-
21 tice shall be published at least once in a newspaper
22 having general circulation in the district. The
23 trustees shall give notice to each ratepayer by mail.

24 No debt may be incurred under the resolution of
25 the board until the expiration of 7 full days follow-
26 ing the date on which the notice was first published
27 and mailed. Prior to the expiration of the period,
28 the board shall call a special district meeting for
29 the purpose of permitting the collection of testimony
30 from the public concerning the amount of debt so au-
31 thorized.

32 Except for indebtedness to fund projects specifi-
33 cally mandated by State Government and Federal Gov-
34 ernment, for debts in excess of the sum of \$150,000,
35 if requested by petition of not less than 50 voters
36 of the district or 5% of the voters, whichever is
37 greater, filed with the clerk of the district on or
38 before the date of the meeting, the voters at the
39 meeting shall express approval or disapproval of the
40 amount of debt so authorized. If a majority of voters
41 present and voting expresses disapproval of the
42 amount of debt authorized by the trustees, the debt

1 shall not be incurred and the vote of the trustees
2 authorizing it shall be void and of no effect.

3 All bonds, notes or other evidences of indebted-
4 ness of the district may be issued in one series, or
5 in separate series, in such amount or amounts, bear-
6 ing interest at such rate or rates, and having such
7 terms and provisions as the board determines. Any
8 such bonds, notes and evidences of indebtedness may
9 be issued to mature serially or made to run for such
10 periods as the board may determine. Bonds, notes or
11 evidence of indebtedness may be issued with or with-
12 out provision for calling the same prior to maturity
13 and, if callable, may be made callable at par at such
14 premium as the board may determine. All bonds, notes
15 or other evidences of indebtedness shall be signed by
16 the treasurer and countersigned by the chairman of
17 the board of the district and, if coupon bonds are
18 issued, the interest coupons attached to those bonds
19 shall bear the facsimile of the signature of the
20 treasurer. All bonds, notes and evidences of indebt-
21 edness issued by the corporation shall be legal obli-
22 gations of the district, which is declared to be a
23 quasi-municipal corporation within the meaning of the
24 Maine Revised Statutes, Title 30, section 5053. Sub-
25 ject to the provisions of this section and in addi-
26 tion to the purposes set forth in this section, the
27 corporation may, from time to time, issue in one se-
28 ries or in separate series its bonds, notes and other
29 evidences of indebtedness, for the purpose of paying,
30 redeeming or refunding outstanding bonds, notes or
31 evidences of indebtedness and each authorized issue
32 shall constitute a separate loan. All bonds, notes
33 and evidences of indebtedness issued by the district
34 shall be legal investments for savings banks in the
35 State and shall be tax exempt.

36 The district may enter into agreements with State
37 Government, Federal Government or any agency of ei-
38 ther or any municipality, corporation, commission or
39 board authorized to grant or loan money to or other-
40 wise assist in the financing of projects such as the
41 district is authorized to carry out and to accept
42 grants and borrow money from any such government,
43 agency, municipality, corporation, commission or
44 board as may be necessary or desirable to accomplish
45 the purposes of the district.

1 Emergency clause. In view of the emergency cited
2 in the preamble, this Act shall take effect when ap-
3 proved.

4 STATEMENT OF FACT

5 The purpose of this bill is to increase the debt
6 limit of the Dover and Foxcroft Water District and to
7 streamline the borrowing provisions of the water dis-
8 trict charter.

9 4767120485