

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

FIRST REGULAR SESSION-1993

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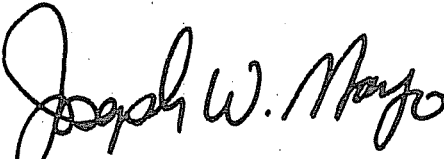
H.P. 1006

House of Representatives, April 28, 1993

An Act to Abolish the Castine Water District.

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 27.
Reference to the Committee on Utilities suggested and ordered printed.


JOSEPH W. MAYO, Clerk

Presented by Representative GRAY of Sedgwick.
Cosponsored by Senator GOULD of Waldo.

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

2
4 **Sec. 1. P&SL 1961, c. 67,** as amended by P&SL 1989, c. 98, §§1
to 3, is repealed.

6 **Sec. 2. Town of Castine's acquisition of property of Castine Water**
District. The Town of Castine acquires, under the terms contained
8 in this Act, all, and not less than all, of the plant,
properties, assets, franchises, rights and privileges owned by
10 the Castine Water District including, without limitation, lands,
buildings, waters, water rights, springs, wells, reservoirs,
12 tanks, standpipes, mains, pumps, pipes, machinery, fixtures,
hydrants, meters, services, tools, equipment and appliances used
14 or useful in supplying water for domestic, sanitary, commercial,
industrial and municipal purposes. The consideration paid for
16 them is the assumption by the Town of Castine of all of the
outstanding debts, obligations and liabilities of the Castine
18 Water District including, without limitation, the assumption by
the Town of Castine of any outstanding notes or bonds of the
20 Castine Water District that are due on or after the date of
transfer.

22 **Sec. 3. Castine Water District required to sell property to the Town**
of Castine. The Castine Water District, a quasi-municipal
24 corporation organized and existing pursuant to Private and
Special Law 1961, chapter 67, under the terms contained in this
26 Act, shall sell, transfer and convey to the Town of Castine by
appropriate instruments of conveyance all, and not less than all,
28 of its plants, properties, assets, franchises, rights and
privileges including, without limitation, lands, buildings,
30 waters, water rights, springs, wells, reservoirs, tanks,
standpipes, mains, pumps, pipes, machinery, fixtures, hydrants,
32 meters, services, tools, equipment and appliances used or useful
in supplying water for domestic, commercial, industrial and
34 municipal purposes, in consideration of the assumption by the
Town of Castine of all of the outstanding debts, obligations and
36 liabilities of the Castine Water District including, without
limitation, the assumption of any outstanding notes or bonds of
38 the Castine Water District that are due on or after the date of
40 the transfer.

42 **Sec. 4. Approval of Public Utilities Commission.** The sale and
transfer by the Castine Water District to the Town of Castine of
44 its plant, properties, assets, franchises, rights and privileges
and the assumption by the Town of Castine of all of the
46 outstanding debts, obligations and liabilities of the Castine
Water District pursuant to sections 2 and 3 and the subsequent
48 use of the plants, properties, assets, franchises, rights and
privileges by the Town of Castine within the limits of the Town
50 of Castine are subject to the approval of the Public Utilities

Commission as may be required by the Maine Revised Statutes,
Title 35-A, Part 1.

Sec. 5. Contracts of Castine Water District assumed by the Town of Castine. All contracts between the Castine Water District and any person, firm or corporation relating to supplying water that are in effect on the date of the transfer by the Castine Water District to the Town of Castine are assumed and carried out by the Town of Castine.

Sec. 6. Dissolution and termination of Castine Water District; pledge of revenues. If and when all debts, obligations and other liabilities of the Castine Water District have been paid in full and discharged or the holders or owners of all debts, obligations and other liabilities that have not been paid in full and discharged have assented to the assumption thereof by the Castine Water District and to the novation and substitution of the Town of Castine as obligor in respect thereto in place of the Castine Water District and, when the transfer of property pursuant to section 3 is complete, the clerk of the Castine Water District shall file a certificate to that effect with the Secretary of State and the corporate existence of the Castine Water District terminates. Until the corporate existence of the Castine Water District is terminated pursuant to this section, the gross revenues derived by the Town of Castine from the sale of water within the area comprising the former limits of the district must be applied first to the payment of expenses and 2nd to payments of debts, obligations and other liabilities of the Castine Water District assumed by the Town of Castine pursuant to this Act.

Sec. 7. Referendum; effective date. This Act must be submitted to the legal voters of the Town of Castine voting at a regular or special election called and held within 6 months after passage of this Act. This election must be called, advertised and conducted according to the law relating to municipal elections, except that the municipal officers are not required to prepare or the town clerk to post a new list of voters. For the purpose of registration of voters the registrar is required to be in session the 3 secular days next preceding the election, of which the first 2 days must be devoted to registration of the voters and the last day to verification of the list and completion of the records of these sessions. The subject matter of this Act is reduced to the following question:

"Do you favor the dissolution of the Castine Water District and the acquisition of the assets and liabilities of the Castine Water District by the Town of Castine?"

2 This Act also must be submitted to the Trustees of the
3 Castine Water District for a ratification vote at any trustees'
4 meeting.

5 This Act takes effect for all purposes immediately upon its
6 acceptance by the Trustees of the Castine Water District and by a
7 majority of the legal voters of Castine voting at the election.

8 The results of the election must be declared by the
9 municipal officers of the Town of Castine and due certificate
10 thereof filed by the town clerk with the Secretary of State.

11 **Sec. 8. Effective date.** Section 1 of this Act takes effect when
12 the Secretary of State receives valid notice of dissolution and
13 termination of the Castine Water District pursuant to section 6.

14 **Sec. 9. Local referendum impact.** Notwithstanding the Maine
15 Revised Statutes, Title 30-A, section 5684, additional costs, if
16 any, imposed on any municipality by the provisions of this Act
17 providing for a local referendum are not funded by the State.

22 STATEMENT OF FACT

23 This bill terminates the Castine Water District and allows
24 the Town of Castine to acquire the assets and liabilities of the
25 Castine Water District upon voter approval by the inhabitants of
26 the Town of Castine and a ratification vote by the Trustees of
27 the Castine Water District.