

MAINE STATE LEGISLATURE

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116th MAINE LEGISLATURE

SECOND REGULAR SESSION-1994

Legislative Document

No. 1830

S.P. 662

In Senate, February 3, 1994

An Act to Amend the Charter of the Canton Water District.

(EMERGENCY)

Reference to the Committee on Utilities suggested and ordered printed.

A handwritten signature in cursive script that reads "Joy J. O'Brien".

JOY J. O'BRIEN
Secretary of the Senate

Presented by Senator LUTHER of Oxford.
Cosponsored by Senator: VOSE of Washington.

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

4 Whereas, the existing water system of the Canton Water
6 District requires modifications to comply with the federal Safe
Drinking Water Act and applicable federal and state regulations;
8 and

10 Whereas, the inadequacies of the current water system are
injurious to the health, welfare and safety of the inhabitants of
12 that district; and

14 Whereas, substantial penalties and fines may be imposed
against the district for failing to comply with the federal Safe
16 Drinking Water Act; and

18 Whereas, it is imperative that action be taken at the
earliest possible moment to remedy these issues; and

20 Whereas, this legislation is immediately necessary to enable
22 the inhabitants of the Canton Water District to take steps to
comply with the federal Safe Drinking Water Act; and

24 Whereas, in the judgment of the Legislature, these facts
26 create an emergency within the meaning of the Constitution of
Maine and require the following legislation as immediately
28 necessary for the preservation of the public peace, health and
safety; now, therefore,

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

32 **Sec. 1.** P&SL 1957, c. 44, §10, as repealed and replaced by P&SL
34 1989, c. 52, §6, is amended to read:

36 **Sec. 10. Authorized to borrow money; to issue bonds and notes.** For
accomplishing the purposes of this Act, the district, through its
38 trustees, without district vote, is authorized to borrow money
temporarily and to issue negotiable notes. For the purpose of
40 renewing and refunding the indebtedness so created; paying any
necessary expenses and liabilities incurred under the provisions
42 of this Act; acquiring properties; paying damages; laying pipes,
mains, aqueducts and conduits; constructing, maintaining and
44 operating a water plant or system; making renewals, additions,
extensions and improvements to the same; and to cover interest
46 payments during any period of construction, the district, through
its trustees, without district vote, is also authorized to issue,
48 from time to time, bonds, notes or other evidences of
indebtedness of the district in one series, or in separate
50 series, in such amount or amounts, bearing interest at

2 such rate or rates, and having such terms and provisions as the
3 trustees shall determine, provided that the total indebtedness of
4 the district at any one time outstanding shall not exceed the sum
5 of \$1,000,000 \$500,000. The bonds, notes and evidences of
6 indebtedness may be issued to mature serially or made to run for
7 such periods as the trustees may determine. Bonds, notes or
8 evidences of indebtedness may be issued with or without provision
9 for calling the same prior to maturity, and, if callable, may be
10 made callable at par or at such premium as the trustees may
11 determine. All bonds, notes or other evidences of indebtedness
12 shall have inscribed upon their face the words "Canton Water
13 District," shall be signed by the treasurer and countersigned by
14 the chair of the board of trustees of the district, and, if
15 coupon bonds are issued, the interest coupons attached thereto
16 shall bear the facsimile signature of the treasurer. All bonds,
17 notes and evidences of indebtedness so issued by the district
18 shall be legal obligations of the district, which is declared to
19 be a quasi-municipal corporation under state law. All bonds
20 notes and evidences of indebtedness issued by the district shall
21 be legal investments for savings banks in the State and shall be
22 tax exempt.

23 Any revisions to the authorized total indebtedness of the
24 district as provided in this section must be made in accordance
25 with, and subject to, the provisions of the Maine Revised
26 Statutes, Title 30-A, chapter 120.

27 **Emergency clause.** In view of the emergency cited in the
28 preamble, this Act takes effect when approved.
29

30 31 32 STATEMENT OF FACT

33
34 The Canton Water District is currently required to comply
35 with the federal Safe Drinking Water Act. Federal grant and loan
36 money have been obligated to make the necessary improvements to
37 the district's water system. This bill is necessary to resolve
38 any questions regarding the authorized debt limit of the district
39 and to permit the district to borrow the money to comply with
40 federal law. This bill establishes a new debt limit of
41 \$500,000. The bill also makes clear that any future changes to
42 the district's debt limit will require a local hearing and a

1 district referendum, in accordance with the Maine Revised
2 Statutes, Title 30-A, chapter 120.

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10 This document has not yet been reviewed to determine the
need for cross-reference, stylistic and other technical
amendments to conform existing law to current drafting standards.