

# MAINE STATE LEGISLATURE

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# 117th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1995

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Legislative Document

No. 1099

S.P. 411

In Senate, March 30, 1995

**An Act to Combine the Sabattus Water District and the Sabattus Sanitary District.**

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Reference to the Committee on Utilities and Energy suggested and ordered printed.

A handwritten signature in cursive script that reads "May M. Ross".

MAY M. ROSS  
Secretary of the Senate

Presented by Senator STEVENS of Androscoggin.  
Cosponsored by Representative: GREEN of Monmouth.

2           **Mandate preamble.** This measure requires one or more local  
units of government to expand or modify activities so as to  
4           necessitate additional expenditures from local revenues but does  
not provide funding for at least 90% of those expenditures.  
6           Pursuant to the Constitution of Maine, Article IX, Section 21,  
two thirds of all of the members elected to each House have  
determined it necessary to enact this measure.

8  
10           **Be it enacted by the People of the State of Maine as follows:**

12           **Sec. 1. Sabattus Sanitary District; additional purposes; expanded**  
**powers.** The Sabattus Sanitary District, formed under the Maine  
14           Revised Statutes, Title 38, chapter 11 and referred to in this  
Act as "the district," is granted additional powers, rights,  
16           privileges and obligations as provided in this Act for the  
purpose of allowing the district to supply the town and  
18           inhabitants and others within the territory of the district with  
potable water for domestic, sanitary, commercial, industrial,  
20           agricultural and municipal purposes. All authority and powers of  
the Sabattus Sanitary District as previously granted continue in  
22           full force and effect. The board of trustees of the district as  
presently elected and constituted may exercise all additional  
24           powers, rights, privileges and obligations granted by this  
section in the same manner as currently empowered for the affairs  
of this district.

26           **Sec. 2. Additional powers of district.** The district, for the  
28           purposes specified in section 1, may take, collect, store, flow,  
use, divert, distribute and convey to the district, or any part  
30           of the district, water from any surface or underground source,  
natural or artificial, within the district on the effective date  
32           of this Act. It may also locate, construct and maintain  
aqueducts, pipes, conduits, dams, wells, reservoirs, standpipes,  
34           hydrants, pumping stations and other necessary structures and  
equipment therefor, and do anything necessary to furnish water  
36           for public purposes and for the public health, comfort and  
convenience of the inhabitants and others of the district, or to  
38           contract to do any and all of the foregoing things.

40           All incidental powers, rights and privileges granted to the  
Sabattus Water District and necessary to the accomplishment of  
42           the objectives set forth in this Act are granted to the district.

44           Notwithstanding section 1 and other provisions of this  
section, the district may not provide service to any person or  
46           business within the territory served by the Sabattus Water  
District, or its successors, unless the provision of service is  
48           approved by the Public Utilities Commission pursuant to section

13 of this Act and approved by the voters pursuant to section 18  
2 of this Act.

4           **Sec. 3. Authorized to lay mains, pipes, conduits and other water**  
5 **conveyances through public ways and across private lands.** The district  
6 may lay in, along, under and through the streets, roads, ways,  
7 highways, bridges, tidal waters, lakes, ponds, rivers and water  
8 courses in the territory of the district and across private lands  
9 in the territory of the district and maintain, repair and replace  
10 pipes, mains, conduits, aqueducts and fixtures and appurtenances  
11 as necessary and convenient for the purposes specified in section  
12 1 and, whenever the district lays any pipes, mains, conduits,  
13 aqueducts and fixtures or appurtenances in any street, road, way  
14 or highway, it shall cause the same to be done with as little  
15 obstruction as practicable to the public travel and at the  
16 district's own expense, without unnecessary delay, shall cause  
17 the earth and pavement removed by the district to be replaced in  
18 proper condition.

20           **Sec. 4. Authorized to erect dams and reservoirs; to cross navigable**  
21 **waters; to supply water to utilities.** The district, for the purposes  
22 specified in section 1, may erect and maintain all dams,  
23 reservoirs and structures necessary and convenient for those  
24 purposes. The district may lay, construct and maintain its pipes  
25 and fixtures in, over and under navigable waters and build and  
26 maintain structures for the pipes and fixtures, subject to the  
27 laws of the United States. The district may supply water to any  
28 public utility now supplying water in Androscoggin County,  
29 subject to the consent of the Public Utilities Commission.

30           **Sec. 5. Procedure if public utility must be crossed.** In case of  
31 crossing of any public utility, unless consent is given by the  
32 company owning and operating the public utility as to place,  
33 manner and conditions of the crossing within 30 days after  
34 consent is requested by the district, the Public Utilities  
35 Commission, upon petition by the district, shall determine the  
36 place, manner and conditions of the crossing, and all work on the  
37 property of the public utility must be done under the supervision  
38 and to the satisfaction of the public utility or as prescribed by  
39 the Public Utilities Commission, but at the expense of the  
40 district.

42           **Sec. 6. Authority to acquire property; rights of eminent domain.**  
43 The district is authorized and empowered to acquire and hold real  
44 and personal property necessary and convenient for its purposes  
45 and is granted the right of eminent domain as described in the  
46 Maine Revised Statutes, Title 38, sections 1152 and 1153.

2 This section may not be construed as authorizing the  
district to take by right of eminent domain any of the property  
4 or facilities for future use by the owner of that property or  
those facilities, in the performance of a public duty, unless  
6 expressly authorized to do so by this section or by subsequent  
Act of the Legislature or as provided in section 5 or sections 11  
to 15.

8  
10 **Sec. 7. Annual report.** The trustees of the district shall  
make and publish an annual report concerning the operations of  
12 the district pursuant to this Act, including a report of the  
treasurer.

14 **Sec. 8. District and towns authorized to make and assume  
contracts.** The district, through its trustees, in order to carry  
16 out the objectives set forth in this Act, may contract with  
persons, districts, municipalities, utilities or corporations.  
18 The district may contract with the Town of Sabattus and the town  
may contract with the district for the supply of water for  
20 municipal purposes.

22 **Sec. 9. Authorized to receive government aid; borrow money; issue  
bonds and notes.** For accomplishing the purposes of this Act, the  
24 district, through its trustees, without vote of the inhabitants,  
may receive state and federal aid or grants, borrow money  
26 temporarily and issue for the money its negotiable notes for the  
purpose of renewing and refunding the indebtedness so created,  
28 for paying any necessary expenses and liabilities incurred under  
this Act, including organizational and other necessary expenses  
30 and liabilities, whether incurred by the district or the Town of  
Sabattus, the district being authorized to reimburse the Town of  
32 Sabattus for any such expense incurred by the town and in  
acquiring properties, paying damages, laying pipes, mains,  
34 aqueducts and conduits, constructing, maintaining and operating a  
water plant or system and making renewals, additions, extensions  
36 and improvements to the water plant or system and to cover  
associated interest payments. The district, through its  
38 trustees, may also issue, from time to time, in accordance with  
the Maine Revised Statutes, Title 35-A, chapter 63, bonds, notes  
40 or other evidences of indebtedness of the district in such amount  
or amounts, bearing interest at such rate or rates, selling at  
42 par or at a discount or a premium, to be sold in such manner, at  
public or private sale, and having such other terms and  
44 provisions as the trustees determine, except that loans running  
for one year or less do not require the approval of the Public  
46 Utilities Commission.

48 Bonds, notes and evidences of indebtedness of the district  
may be issued to mature serially or made to run for a term of  
50 years as the trustees determine. Bonds, notes or evidences of

2 indebtedness may be issued with or without provisions for calling  
the bonds, notes or evidences of indebtedness prior to maturity  
4 and, if callable, may be made callable at par or at such premium  
as the trustees determine. All bonds, notes or other evidences  
6 of indebtedness must have inscribed upon their face the words  
"Sabattus Sanitary District" and be signed by the treasurer and  
8 countersigned by the chair of the board of trustees of the  
district. If coupon bonds are issued, the interest coupon  
10 attached to the coupon bonds must bear the facsimile signature of  
the treasurer.

12 All bonds, notes and evidences of indebtedness so issued by  
the district, which is declared to be a quasi-municipal  
14 corporation, are legal obligations of the district within the  
meaning of the Maine Revised Statutes, Title 30-A, section 5701.

16 The district may refund and reissue, from time to time, in  
18 one or in separate series, its bonds, notes and other evidences  
of indebtedness, and each authorized issue constitutes a separate  
20 loan. All bonds, notes and evidences of indebtedness issued by  
the district are legal investments for savings banks in the State  
22 and are exempt from state income tax.

24 **Sec. 10. Rates.** The rates established pursuant to this  
section must be sufficient to provide revenue for the purposes of  
26 this Act, without the need for any financial assistance from the  
Town of Sabattus other than the normal payment of water charges  
28 for services rendered and the loan or loans for initial funds as  
set forth in section 9. Individuals, firms and corporations,  
30 whether private, public or municipal, shall pay to the treasurer  
or other designated officer of the district the rates established  
32 by the board of trustees for the water used by them. The rates  
must be established in accordance with the Maine Revised  
34 Statutes, Title 35-A, chapter 61, to provide for the purposes set  
forth therein.

36 **Sec. 11. Sabattus Sanitary District's acquisition of property of  
38 Sabattus Water District.** The Sabattus Sanitary District acquires,  
under the terms contained in this Act, all, and not less than  
40 all, of the plant, properties, assets, franchises, rights and  
privileges owned by the Sabattus Water District including,  
42 without limitation, lands, buildings, waters, water rights,  
springs, wells, reservoirs, tanks, standpipes, mains, pumps,  
44 pipes, machinery, fixtures, hydrants, meters, services, tools,  
equipment and appliances used or useful in supplying water for  
46 domestic, sanitary, commercial, industrial and municipal  
purposes. The consideration paid for them is the assumption by  
48 the Sabattus Sanitary District of all of the outstanding debts,  
obligations and liabilities of the Sabattus Water District  
50 including, without limitation, the

2 assumption by the Sabattus Sanitary District of any outstanding  
notes or bonds of the Sabattus Water District that are due on or  
after the date of transfer.

4

6 **Sec. 12. Sabattus Water District required to sell property to the  
Sabattus Sanitary District.** The Sabattus Water District, a  
8 quasi-municipal corporation organized and existing pursuant to  
Private and Special Law 1967, chapter 196, under the terms  
10 contained in this Act, shall sell, transfer and convey to the  
Sabattus Sanitary District by appropriate instruments of  
12 conveyance all, and not less than all, of its plants, properties,  
assets, franchises, rights and privileges including, without  
14 limitation, lands, buildings, waters, water rights, springs,  
wells, reservoirs, tanks, standpipes, mains, pumps, pipes,  
16 machinery, fixtures, hydrants, meters, services, tools, equipment  
and appliances used or useful in supplying water for domestic,  
18 commercial, industrial and municipal purposes, in consideration  
of the assumption by the Sabattus Sanitary District of all of the  
20 outstanding debts, obligations and liabilities of the Sabattus  
Water District including, without limitation, the assumption of  
22 any outstanding notes or bonds of the Sabattus Water District  
that are due on or after the date of the transfer.

24 **Sec. 13. Approval of Public Utilities Commission.** The sale and  
transfer by the Sabattus Water District to the Sabattus Sanitary  
26 District of its plant, properties, assets, franchises, rights and  
privileges and the assumption by the Sabattus Sanitary District  
28 of all of the outstanding debts, obligations and liabilities of  
the Sabattus Water District pursuant to sections 11 and 12 and  
30 the subsequent use of the plants, properties, assets, franchises,  
rights and privileges by the Sabattus Sanitary District within  
32 the limits of the Sabattus Sanitary District are subject to the  
approval of the Public Utilities Commission as may be required by  
34 the Maine Revised Statutes, Title 35-A, Part 1.

36 **Sec. 14. Contracts of Sabattus Water District assumed by the  
Sabattus Sanitary District.** All contracts between the Sabattus  
38 Water District and any person, firm or corporation relating to  
supplying water that are in effect on the date of the transfer by  
40 the Sabattus Water District to the Sabattus Sanitary District are  
assumed and carried out by the Sabattus Sanitary District.

42

44 **Sec. 15. Dissolution and termination of Sabattus Water District;  
pledge of revenues.** If and when all debts, obligations and other  
46 liabilities of the Sabattus 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  
48 discharged have assented to the assumption thereof by the  
Sabattus Water District and to the novation and substitution

2 of the Sabattus Sanitary District as obligor in respect thereto  
3 in place of the Sabattus Water District and, when the transfer of  
4 property pursuant to section 12 is complete, the clerk of the  
5 Sabattus Water District shall file a certificate to that effect  
6 with the Secretary of State and the corporate existence of the  
7 Sabattus Water District terminates. After filing the certificate  
8 with the Secretary of State, the clerk of the Sabattus Water  
9 District shall submit legislation to repeal Private and Special  
10 Law 1967, chapter 196. Until the corporate existence of the  
11 Sabattus Water District is terminated pursuant to this section,  
12 the gross revenues derived by the Sabattus Sanitary District from  
13 the sale of water within the area comprising the former limits of  
14 the district must be applied first to the payment of expenses and  
15 2nd to payments of debts, obligations and other liabilities of  
16 the Sabattus Water District assumed by the Sabattus Sanitary  
17 District pursuant to this Act.

18 **Sec. 16. Property tax exemption.** Notwithstanding the Maine  
19 Revised Statutes, Title 38, section 1064, the property of the  
20 district acquired pursuant to this Act and used for the purposes  
21 of this Act is exempt from taxation to the extent provided in  
22 Title 36, section 651.

24 **Sec. 17. Existing laws not affected; rights conferred subject to**  
25 **provisions of law; preservation of powers.** Nothing contained in this  
26 Act is intended to repeal, or may be construed as repealing, the  
27 whole or any part of any existing law, and all the rights and  
28 duties mentioned in this Act must be exercised and performed in  
29 accordance with all the applicable provisions of and amendatory  
30 acts to the Maine Revised Statutes, Title 35-A to the extent that  
31 title and its amendments affect the operations of the district.  
32 Powers granted in this Act are in addition to powers granted to  
33 the district under the provisions of Title 38, chapter 11, and  
34 nothing in this Act may be construed as limiting the authority of  
35 the district in carrying out the purposes of the district as  
36 provided in Title 38, section 1063.

38 **Sec. 18. Referendum; effective date.** The municipal officers of  
39 the Town of Sabattus shall submit this Act to the legal voters of  
40 the Town of Sabattus voting at a regular or special election  
41 called and held within 6 months after passage of this Act. If  
42 the municipal officers choose to so submit this Act the election  
43 must be called, advertised and conducted according to the law  
44 relating to municipal elections, except that the municipal  
45 officers are not required to prepare or the town clerk to post a  
46 new list of voters. For the purpose of registration of voters  
47 the registrar is required to be in session the 3 secular days  
48 next preceding the election, of which the first 2 days must be  
49 devoted to registration of the voters and the last day to  
50 verification of the list and completion of the records of these



2 sessions. The subject matter of this Act is reduced to the  
following question:

4 "Do you favor the dissolution of the Sabattus Water District  
6 and the acquisition of the assets and liabilities of the  
Sabattus Water District by the Sabattus Sanitary District?"

8 This Act also must be submitted to the Trustees of the  
10 Sabattus Water District for a ratification vote at any trustees'  
meeting.

12 This Act takes effect for all purposes immediately upon its  
14 acceptance by the Trustees of the Sabattus Water District and by  
a majority of the legal voters of Sabattus voting at the election.

16 The results of the election must be declared by the  
18 municipal officers of the Town of Sabattus and due certificate  
thereof filed by the town clerk with the Secretary of State.

20

#### 22 **STATEMENT OF FACT**

24 This bill abolishes the Sabattus Water District and allows  
the Sabattus Sanitary District to acquire the assets of the  
Sabattus Water District.