# MAINE STATE LEGISLATURE

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# 117th MAINE LEGISLATURE

### **SECOND REGULAR SESSION-1996**

Legislative Document

No. 1668

H.P. 1218

House of Representatives, January 9, 1996

An Act to Protect Sources of Drinking Water in the Towns of Searsport, Stockton Springs and Prospect.

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Utilities and Energy suggested and ordered printed.

OSEPH W. MAYO, Clerk

Presented by Representative POVICH of Ellsworth.

Cosponsored by Representatives: McELROY of Unity, TUFTS of Stockton Springs.

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

Sec. 1. P&SL 1947, c. 75, §1 is amended to read:

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- Sec. 1. Territorial limits; name; purposes. The inhabitants and territory within the tewn Town of Searsport shall-be-and-hereby are-constituted and the Town of Stockton Springs constitute a body politic and corporate by the name of Searsport Water District for the purpose of supplying the tewn Town of Searsport and the inhabitants of said that town and the inhabitants of the Town of Stockton Springs or any part of said either town with pure water for domestic, sanitary, agricultural, commercial, industrial and all lawful municipal purposes; - provided, -however, except that the said district shall may not construct any system of pipe lines or development without first having submitted its plans to the public utilities - commission Public Utilities Commission and obtained its advice therefor for that construction or development in writing under the power vested in said that commission by section 13 chapter 40 of the revised statutes of 1944.
- Sec. 2. P&SL 1947, c. 75, §2, as amended by P&SL 1995, c. 20, §1, is further amended by adding at the end the following paragraphs to read:
  - The district shall undertake all reasonable and necessary measures within its authority to preserve the purity of the water of, and the watershed affecting, Half Moon Pond.
- 30 The district is authorized to adopt rules prohibiting body contact with and the use of engines in or on Half Moon Pond. In adopting rules, the district must follow the procedures 32 established by the Maine Revised Statutes, Title 5, chapter 375, subchapter II. The district may assess administrative penalties 34 of not more than \$500 per offense for violation of any regulation adopted by the district related to body contact with or the use 36 of engines in or on Half Moon Pond. In assessing any penalties under this paragraph, the district must conduct its proceedings 38 in accordance with Title 5, chapter 375, subchapter IV. A person 40 aggrieved by any action of the district under this paragraph is entitled to judicial review in the Superior Court in the manner 42 provided in Title 5, chapter 375, subchapter VII. The district may by rule provide for assessment and collection of 44 administrative penalties, provided these procedures are consistent with the Maine Administrative Procedure Act as specified in this paragraph. 46
- The Towns of Searsport and Prospect shall take all reasonable and necessary measures within their authority to preserve the purity of the water of, and the watershed affecting,

Half Moon Pond. All protective measures must be developed and remain in place regardless of whether the district is drawing water from the pond.

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### Sec. 3. P&SL 1947, c. 75, §7, first¶ is amended to read:

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The board of trustees of the district is composed of 5 trustees, 3 of whom are appointed by the municipal officers of the Town of Searsport and 2 of whom are appointed by the municipal officers of the Town of Stockton Springs. Trustees serve for a term of 3 years.

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- Sec. 4. P&SL 1947, c. 75, §10, as repealed and replaced by P&SL 1975, c. 61, §5, is amended to read:
- Sec. 10. District and town authorized to make contracts. Said The 16 district through its trustees is authorized to contract with persons and corporations, including the Towns of Searsport and 18 Stockton Springs and said those towns are authorized to contract with it for the supply of water and facilities for municipal 20 The district is authorized to enter into agreements purposes. 22 with Federal and State Governments or any corporation, commission or board authorized by Federal or State Government to grant or loan money or otherwise assist in the financing of projects for 24 accomplishing any of the purposes of the district and to accept grants and borrow money from any such government, agency, corporation, commission or board as may be necessary or desirable accomplishing 28 the purposes of this Act. Except as specifically provided in this section or by any other provision 30 of law, the district may not provide service to any entity located outside the district if it was not providing service to that entity on July 1, 1996. 32
  - Sec. 5. P&SL 1947, c. 75, §14, first ¶, as amended by P&SL 1975, c. 108, is further amended to read:

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Sec. 14. Authorized to borrow money, to issue bonds and notes. The through its trustees and -- without -- vete -- of -- its inhabitants, is authorized to issue from time to time bonds or notes of the district to pay or to meet any necessary expenses and liabilities including the refunding of any capitalized interest and to pay for the cost of the capital outlay incurred by the district in connection with accomplishing any of the purposes set forth in this Act, including any necessary expenses and liabilities in acquiring properties, renovating properties, and securing sources of supply, taking water rights and land, paying damages, laying pipes, constructing, maintaining, operating a water plant system, making renewals, additions, extensions and improvements to the same water plan system; and for the establishment of a reasonable reserve for future payments

of debt service, which reserve shall may not exceed for any issue 2 of bonds or notes, the amount of interest and principal payable on account of such issue averaged for each year except the last in which principal of such issue is payable, and for the interest during the period of construction and for a period not exceeding one year thereafter after construction. 6 Said The district's bonds or notes shall--be are issued in such amount as the 8 district, acting through its trustees and without vote of its inhabitants, may determine. The district may refund any such bonds or notes or make other provision for the advanced 10 Said The bonds or notes shall must be issued to refunding. 12 mature serially, in annual installments, the first of which shall be is payable not later than 5 years from the date of such bonds 14 or notes, and the last of which shall-be is payable not later than 40 years from said that date; or may be issued for a term of 16 years not exceeding 40 years; or in a combination to mature serially and for a term of years not exceeding 40 years, all as the trustees shall determine. Said The bonds may be callable 18 with or without premium and may contain provisions for the refunding for any such issue or part thereof of such issue in 20 advance of any due date thereof of such issue. Said The bonds or notes shall must contain such terms and conditions, bear such 22 rate or rates of interest, be sold in such manner, in public or private sale, with or without provisions for prepayment in 24 advance of maturity, at par, with a discount or a premium, all as 26 the trustees shall determine.

Sec. 6. P&SL 1947, c. 75, §14, as repealed and replaced by P&SL 1975, c. 61, §6, is amended by adding the following new paragraph after the 3rd paragraph:

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A new debt may not be incurred by the district after the effective date of this paragraph unless approved by a majority of the legal voters, voting in a special election, within all towns in which the district provides service. Whenever the trustees vote to authorize new bonds or notes, the trustees shall contact the municipal officers of the towns in which it provides service and the municipal officers shall call a special election that must be held on the same day in each town and within 30 days of the trustees' request for a special election. The municipal officers shall call the special election in the same manner as town meetings are called.

Sec. 7. P&SL 1947, c. 75, §14, 4th ¶, enacted by P&SL 1975, c. 61, §6, is repealed and the following enacted in its place:

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

provisions of that section apply, except that the personal property of the residents and the real estate within the district within the Town of Stockton Springs may be taken to pay debt due only if that debt was incurred by the district after the effective date of this section.

Sec. 8 Transition Trustees of the Searceport Water District

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Sec. 8. Transition. Trustees of the Searsport Water District serving on the effective date of this section continue to serve until the expiration of their terms and until their successors are appointed as provided in section 3 of this Act. On the effective date of this section, the municipal officers of the Town of Stockton Springs shall appoint 2 trustees, one of whom serves a full 3-year term and the other of whom serves a 2-year term. After these appointments, all trustees are appointed to 3-year terms as provided in section 3 of this Act.

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Sec. 9. Referendum; effective date. This Act takes effect 90 days after the adjournment of the Second Regular Session of the 117th Legislature, except that sections 1,3, 7 and 8 of this Act take effect on that date only for the purposes of permitting their submission to the legal voters in the Town of Stockton Springs at the next regular town election or at a special town meeting to be called and held for that purpose by December 1, 1996. The election must be called, advertised and conducted according to the law relating to municipal elections, except that the registrar of voters is not required to prepare or the town clerk to post a new list of voters. The registrar of voters must be in session on the secular day next preceding the election. The town clerk shall reduce the subject matter of sections 1,3,7 and 8 of this Act to the following question:

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"Do you favor expanding the territory of the Searsport Water District to include the Town of Stockton Springs and adding 2 members to the district's board of trustees to be appointed by the municipal officers of the Town of Stockton Springs?"

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

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The results must be declared by the municipal officers of the Town of Stockton Springs and due certificate of the results filed by the town clerk with the Secretary of State.

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Sections 1, 3, 7 and 8 take effect immediately upon their approval by a majority of the legal voters voting at the election.

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#### STATEMENT OF FACT

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This bill amends the charter of the Searsport Water District It provides that, unless specifically permitted by 2 as follows. law, the district may not provide service to any entity located outside the district to which it is not providing service on July 1, 1995. It requires that any new debt incurred by the district after July 1, 1995 must be approved by a majority of the legal voters, voting in a special election, within all towns in which It requires the district to the district provides service. 8 undertake all reasonable and necessary measures to protect the water quality of Half Moon Pond and grants authority to the 10 district to regulate body contact with and the use of engines in or on Half Moon Pond. It requires the towns of Searsport and 12 Prospect to take all reasonable measures to preserve the water 14 quality of Half Moon Pond.

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Subject to referendum approval in the Town of Stockton Springs, it expands the territory of the Searsport Water District to include the Town of Stockton Springs and adds 2 new trustees to the district board to be appointed by the municipal officers of the Town of Stockton Springs.

It also provides that property in the Town of Stockton Springs may be taken to pay, in the case of default by the district, district debts only if the debt is incurred after the inclusion of the Town of Stockton Springs in the district.

It provides for a transition for adding 2 new trustees to the district's board.