

# MAINE STATE LEGISLATURE

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R.O.S.

L.D. 389

2 DATE: 4/25/05

(Filing No. H-180)

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6 UTILITIES AND ENERGY

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14 STATE OF MAINE  
HOUSE OF REPRESENTATIVES  
122ND LEGISLATURE  
16 FIRST SPECIAL SESSION

18 COMMITTEE AMENDMENT "A" to H.P. 291, L.D. 389, Bill, "An  
20 Act To Amend the Waldoboro Utility District"

22 Amend the bill by striking out all of section 4 and  
inserting in its place the following:

24 'Sec. 4. P&SL 1963, c. 146, §18, 3rd ¶ is amended to read:

26 The sewer rates, tolls, rents and entrance charges shall  
28 must be so established as to provide revenue at least sufficient,  
together with any other available funds, for the following  
30 purposes:

32 I. To pay the current expenses for operating and  
maintaining the sewerage, drainage and treatment system+ of  
34 the district;

36 II. To provide for the payment of the principal of,  
premium, if any, and interest on the indebtedness created  
38 all bonds and notes issued by the district as those bonds  
and notes become due and payable;

40 III. To ~~provide each year a sum equal to not less than 1%~~  
42 ~~nor more than 5% of the entire indebtedness created by the~~  
~~district, which sum shall be turned into a sinking fund and~~  
44 ~~there--kept--to--provide--for--the--extinguishment--of--said~~  
indebtedness create and maintain any reserves required by  
46 any trust agreement or resolution securing bonds and notes

**COMMITTEE AMENDMENT**

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COMMITTEE AMENDMENT "A" to H.P. 291, L.D. 389

2 and any reserve accounts the trustees may establish,  
3 including, but not limited to, capital improvement accounts,  
4 capital equipment accounts, credit reserve accounts, sinking  
5 fund accounts and capital dedicated reserve accounts. Money  
6 set aside for the--sinking-fund--shall--be--devoted--to--the  
7 retirement--of--the--obligations--of--said--sewer--district--and  
8 reserve accounts may be invested in such securities as  
9 savings banks in this State are allowed to hold;

10 IV. If any surplus remains at the end of the year, it may  
11 be turned into the sinking fund. To provide funds for paying  
12 the cost of all necessary repairs, replacements and renewals  
13 of the sewerage, drainage and treatment systems of the  
14 district; and

15 V. To pay or provide for any amounts that the district is  
16 obligated to pay or provide by law or contract, including  
17 any resolution or contract with or for the benefit of the  
18 holders of its bonds and notes.'

19 Further amend the bill by inserting after section 4 the  
20 following:

21 **'Sec. 5. P&SL 1963, c. 146, §18, as amended by P&SL 1971, c. 61,**  
22 **is further amended by adding at the end a new paragraph to read:**

23 The adoption of rate schedules is governed by the  
24 requirements of the Maine Revised Statutes, Title 38, section  
25 1252, subsection 1.'

26 Further amend the bill by striking out all of the emergency  
27 clause and inserting in its place the following:

28 **'Sec. 6. Emergency clause; referendum; effective date.** In view of  
29 the emergency cited in the preamble, this Act takes effect when  
30 approved, except that section 4 of this Act takes effect only for  
31 the purpose of permitting its submission to the voters of the  
32 Town of Waldoboro at an election to be called and held for that  
33 purpose by December 31, 2006. The election must be called,  
34 advertised and conducted according to the law relating to  
35 municipal elections, except that the registrar of voters is not  
36 required to prepare or the clerk to post a new list of voters.  
37 For the purpose of registration of voters, the registrar of  
38 voters must be in session the secular day preceding the  
39 election. The subject matter of section 4 of this Act is reduced  
40 to the following question:  
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COMMITTEE AMENDMENT "A" to H.P. 291, L.D. 389

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"Do you favor changing the charter of the Waldoboro Utility District to modify the purposes for which its rates are charged to allow for the creation of reserve accounts?"

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

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

Section 4 of this Act takes effect for all purposes immediately upon acceptance by a majority of the voters of the Town of Waldoboro. Failure to achieve the necessary approval does not prevent subsequent elections held prior to December 31, 2006.'

**SUMMARY**

This amendment replaces the section of the bill relating to the purposes for which the Waldoboro Utility District may collect rates. It conforms those purposes in general to those that govern the rates of sanitary districts under the Maine Revised Statutes, Title 38, section 1202 but includes additional authority for the districts to establish reserve accounts, as proposed in the bill. The change in purposes for which the district may collect rates is made subject to referendum approval in the district. The amendment also provides a cross-reference to Title 38, Section 1251, which requires a notice and public hearing prior to the adoption of new rate schedules by a sewer district.

**COMMITTEE AMENDMENT**