

MAINE STATE LEGISLATURE

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126th MAINE LEGISLATURE

FIRST REGULAR SESSION-2013

Legislative Document

No. 1396

S.P. 500

In Senate, April 10, 2013

An Act To Create the Lisbon Water District

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

A handwritten signature in black ink, appearing to read 'D M Grant'.

DAREK M. GRANT
Secretary of the Senate

Presented by Senator JACKSON of Aroostook.
Cosponsored by Representative BEAVERS of South Berwick and
Representative: DUNPHY of Embden.

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

2 **Sec. 1. Territorial limits; corporate name.** Pursuant to the Maine Revised
3 Statutes, Title 35-A, section 6403, subsection 1, paragraphs A and B and subject to
4 section 8, the territory and the inhabitants of the Town of Lisbon, referred to in this Act
5 as "the town," constitute a standard district under the name "Lisbon Water District,"
6 referred to in this Act as "the district."

7 **Sec. 2. Powers; authority; duties.** Except as otherwise expressly provided in
8 this Act, the district has all the powers and authority and is subject to all the requirements
9 and restrictions provided in the Maine Revised Statutes, Title 35-A, chapter 64, and is
10 authorized to perform all acts and to do all things necessary or convenient to carry out the
11 purposes and powers provided in this Act and chapter 64 or reasonably implied from
12 those purposes and powers. The district also has the authority to provide water service in
13 areas beyond the municipal boundaries of the town in which the Lisbon Water
14 Department, a quasi-municipal corporation organized and existing pursuant to Private and
15 Special Law 1903, chapter 241, referred to in this Act as "the water department," on the
16 date of voter approval of this Act provides water service.

17 **Sec. 3. Power to take water.** For purposes of its incorporation, the district is
18 authorized to take, hold, convey and use water from any surface and groundwater source
19 within the town and from any source inside or outside the town that is on the date of voter
20 approval of this Act used by the water department or from which the water department
21 has the right to take, hold, convey or use water; and has the authority to negotiate for the
22 acquisition of water from sources outside the town. The district is authorized to obtain
23 and to sell to its customers a supply of Lake Auburn water for public, domestic and
24 industrial purposes from the City of Lewiston and to contract with any city officials
25 authorized to do so in the City of Lewiston for such water, subject to the approval of the
26 Public Utilities Commission, this being intended to be the same authorization that was
27 granted to the town by Private and Special Law 1921, chapter 24.

28 **Sec. 4. Number of trustees.** The board of trustees of the district is composed of 5
29 trustees.

30 **Sec. 5. Members of first board of trustees.** The first board of trustees consists
31 of the 3 water commissioners of the water department who are serving on the date of
32 voter approval of this Act. The terms of the first board are governed by section 6.

33 **Sec. 6. Terms of trustees.** Subsequent to the first board, trustees are elected for
34 staggered 3-year terms that commence at the first meeting of the board held after the
35 annual election at which the trustee is elected and terminate on the commencement of the
36 first meeting held after the 3rd subsequent annual election. The election of trustees must
37 be held at the same time as the town's municipal elections and must be conducted in
38 accordance with the Maine Revised Statutes, Title 35-A, section 6410, subsection 1. At
39 the first annual election after the formation of the district, 2 trustees are elected to 3-year
40 terms and one trustee is elected to a 2-year term, and the term of the former water
41 commissioner who has the shortest remaining term expires on the commencement of the
42 terms of the 3 newly elected trustees. At the 2nd annual election, 2 trustees are elected to

1 3-year terms and the terms of the 2 remaining former water commissioners expire upon
2 the commencement of the terms of the 2 newly elected trustees. If at any time there is a
3 vacancy on the board, the remaining trustees may by majority vote appoint a trustee to fill
4 the vacancy until the commencement of the first meeting held after the next annual
5 election.

6 **Sec. 7. Transfer of assets and liabilities of the water department.** The
7 district, through its trustees, shall acquire, in accordance with this section, all of the
8 plants, properties, assets, franchises, rights, privileges and operations of the water
9 department, including, without limitation, lands, buildings, waters, water rights, springs,
10 wells, reservoirs, tanks, standpipes, mains, pumps, pipes, machinery, fixtures, hydrants,
11 meters, services, tools, equipment, apparatus and appliances used or useful in supplying
12 water for domestic, commercial, industrial and municipal purposes, whether they are
13 owned in the name of the water department, the water commissioners of the water
14 department or the town and shall, by appropriate instruments, assume, in accordance with
15 this section, all of the outstanding debts, obligations and liabilities of the water
16 department, including, without limitation, the assumption of any outstanding bonds, notes
17 or other evidences of indebtedness of the water department that are due on or after the
18 date of transfer, whether they are owed in the name of the water department, the water
19 commissioners of the water department or the town, except that if any such debt cannot
20 be assumed due to the absence of lender consent or due to impracticability because the
21 debt was incurred to finance both water-related and nonwater-related assets, the district
22 shall assume the obligations to pay the town the amounts necessary to satisfy the town's
23 obligations on the portion of such debt that financed water-related assets.

24 The water department shall, through its water commissioners, assign, transfer and
25 convey to the district by appropriate instruments of conveyance all, and not less than all,
26 of its respective plants, properties, assets, franchises, rights and privileges, including,
27 without limitation, lands, buildings, waters, water rights, springs, wells, reservoirs, tanks,
28 standpipes, mains, pumps, pipes, machinery, fixtures, hydrants, meters, services, tools,
29 equipment, apparatus and appliances used or useful in supplying water for domestic,
30 commercial, industrial and municipal purposes, in consideration of the assumption by the
31 district of all of the outstanding debts, obligations and liabilities of the water department,
32 including, without limitation, the assumption of any outstanding bonds, notes or other
33 evidences of indebtedness of the water department that are due on or after the date of
34 transfer and the assumption of the obligations to make payments to the town on any
35 related debt that remains with the town pursuant to the provisions of this section.

36 The transfer by the water department to the district of its respective plants, properties,
37 assets, franchises, rights and privileges, the assumption by the district of all of the
38 outstanding debts, obligations, liabilities and operations of the water department pursuant
39 to this section and the subsequent use of the plants, properties, assets, franchises, rights
40 and privileges by the district are subject to the approval of the Public Utilities
41 Commission as may be required by the Maine Revised Statutes, Title 35-A, Part 1.

42 Promptly after completion of the transfer and assumption of assets, liabilities and
43 operations pursuant to this section, the water department shall cause to be filed with the
44 Secretary of State a certificate of dissolution certifying that all assets of the water

1 department and all debts, obligations and liabilities of the water department have been
2 transferred to the district and that the certificate is signed by the chair or presiding
3 commissioner of the water department and by the town manager of the town. Upon the
4 filing date of the certificate, the existence of the water department ceases and the terms of
5 the commissioners expire.

6 Upon dissolution of the water department, the trustees of the district shall submit
7 legislation for introduction to the Legislature to repeal Private and Special Law 1903,
8 chapter 241.

9 **Sec. 8. Referendum; effective date.** This Act takes effect 90 days after the
10 adjournment of the First Regular Session of the 126th Legislature only for the purpose of
11 permitting its submission to the legal voters of the town at an election called for that
12 purpose and held by December 31, 2013. The election must be called by the water
13 commissioners of the water department and be held at the regular voting places pursuant
14 to the procedures in the Maine Revised Statutes, Title 21-A relating to municipal
15 elections. The water commissioners shall provide for the holding of at least 2 public
16 hearings in advance of the vote for the presentation of information to the voters and
17 responding to questions from the voters. The election must be called, advertised and
18 conducted according to the law relating to municipal elections, except that the registrar of
19 voters is not required to prepare or the clerk to post a new list of voters. For the purpose
20 of registration of voters, the registrar of voters must be in session the secular day
21 preceding the election. For purposes of the election, the subject matter of this Act is
22 reduced to the following question:

23 "Do you favor creating the Lisbon Water District and permitting the
24 Lisbon Water District to acquire the assets and assume the liabilities of
25 the Lisbon Water Department?"

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

28 The results must be declared by the water commissioners of the Lisbon Water
29 Department and due certificate of the results filed by the clerk with the Secretary of State.

30 This Act takes effect for all purposes immediately upon its approval by a majority of
31 the legal voters voting at the election. Failure to achieve the necessary approval in any
32 referendum does not prohibit subsequent referenda consistent with this section, as long as
33 the referenda are held prior to December 31, 2014.

34 **SUMMARY**

35 This bill creates the Lisbon Water District.