

MAINE STATE LEGISLATURE

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128th MAINE LEGISLATURE

FIRST REGULAR SESSION-2017

Legislative Document

No. 757

H.P. 537

House of Representatives, March 2, 2017

An Act To Amend the Charter of the Richmond Utilities District

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

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT
Clerk

Presented by Representative PIERCE of Dresden.
Cosponsored by Representatives: AUSTIN of Gray, FARRIN of Norridgewock, O'CONNOR of Berwick, PICKETT of Dixfield, SIMMONS of Waldoboro, TUCKER of Brunswick, WADSWORTH of Hiram, WOOD of Greene.

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

2 **Sec. 1. P&SL 1961, c. 154, §14-A**, as amended by P&SL 1999, c. 23, §1, is
3 further amended to read:

4 **Sec. 14-A. Authorized to borrow money, to issue bonds and notes.** For
5 accomplishing the purpose of this Act, the district, by vote of its board of trustees,
6 without district vote except as provided, is authorized to borrow money temporarily and
7 to issue its negotiable notes; and for the purpose of renewing and refunding the
8 indebtedness so created, of paying necessary expenses and liabilities incurred under the
9 provisions of this Act, and in acquiring properties, paying damages, laying pipes, mains,
10 sewers, drains and conduits, purchasing, constructing, maintaining and operating a water
11 system and a sewerage system and making renewals, additions, extensions and
12 improvements to such systems and to cover interest payments during the period of
13 construction, the Richmond Utilities District, by votes of its board of trustees, without
14 district vote except as provided, is also authorized to issue, from time to time, bonds,
15 notes or other evidences of indebtedness of the district in such amount or amounts,
16 bearing interest at such rate or rates, and having such terms and provisions as the trustees
17 determine; ~~except that the total indebtedness of the district may not exceed the sum of~~
18 ~~\$2,000,000 at any one time outstanding or such other amount as may be established~~
19 ~~pursuant to section 14-B~~ and in the case of a vote by the trustees to authorize bonds or
20 notes to pay for the acquisition of property, except for the original acquisition of property
21 of Richmond Water Works, for the cost of a water system or sewerage system or part of a
22 water system or sewerage system, for renewals or additions or for other improvements in
23 the nature of capital costs, the estimated cost of which singly or in the aggregate included
24 in any one financing is \$30,000 or more, but not for renewing or refunding existing
25 indebtedness or to pay for maintenance, repairs or for current expenses, notice of the
26 proposed debt and of the general purpose or purposes for which it was authorized must be
27 given by the clerk by publication at least once in a newspaper having a general circulation
28 in the Town of Richmond. No debt may be incurred under such vote of the trustees until
29 the expiration of 7 full days following the date on which such notice was first published.
30 Prior to the expiration of that period, the trustees may call a special district meeting for
31 the purpose of permitting the voters of the district to express approval or disapproval of
32 the amount of debt so authorized, and the trustees shall call a special district meeting, if
33 within 7 days following the publication of the notice, there ~~shall have~~ has been filed with
34 the clerk of the district a petition or petitions signed by not less than 50 qualified voters of
35 the district requesting that such a special district meeting be called. If at the district
36 meeting a majority of voters present and voting ~~thereon~~ expresses disapproval of the
37 amount of debt authorized by the trustees, the debt ~~shall~~ may not be incurred and the vote
38 of the trustees authorizing the same ~~shall be~~ is void and of no effect. The bonds, notes
39 and evidences of indebtedness may be issued to mature serially in annual installments of
40 not less than 1% of the face amount of the issue and beginning not later than 2 years from
41 the date ~~thereof~~ of issue, or made to run for such periods as the trustees may determine,
42 but no issue ~~thereof shall~~ of bonds, notes or evidences of indebtedness may run for a
43 longer period than 40 years from the date of original issue ~~thereof~~. Bonds, notes or
44 evidences of indebtedness may be issued with or without provision for calling the same
45 prior to maturity, and if callable may be made callable at par or at a premium as the

1 trustees may determine. All bonds, notes or other evidences of indebtedness ~~shall~~ must
2 have inscribed upon their face the words "Richmond Utilities District," ~~shall~~ must be
3 signed by the treasurer and countersigned by the ~~chairman~~ chair of the board of trustees
4 of the district, and if coupon bonds are issued, the interest coupons attached ~~thereto shall~~
5 to the coupon bonds must bear the facsimile of the signature of the treasurer. All bonds,
6 notes and evidences of indebtedness so issued by the district ~~shall be~~ are legal obligations
7 of the district, which is ~~hereby~~ declared to be a quasi-municipal corporation within the
8 meaning of the Maine Revised Statutes, Title ~~30~~ 30-A, ~~section 5053~~ chapter 120. The
9 district may, from time to time, issue its bonds, notes and other evidences of
10 indebtedness, for the purpose of paying, redeeming or refunding outstanding bonds, notes
11 or evidences of indebtedness, and each authorized issue ~~shall constitute~~ constitutes a
12 separate loan. All bonds, notes and evidences of indebtedness issued by the district ~~shall~~
13 be are legal investments for savings banks in the State of Maine and ~~shall be~~ are tax
14 exempt. The district is ~~hereby~~ authorized and empowered to enter into agreements with
15 the State or Federal Government, or any agency ~~or of~~ either, or any corporation,
16 commission or board authorized by the State or Federal Government to grant or loan
17 money to or otherwise assist in the financing of projects such as the district is authorized
18 to carry out, and to accept grants and borrow money from any such government agency,
19 corporation, commission or board as may be necessary or desirable to enforce the
20 provisions of this Act. All notes and bonds with the maturity of more than one year ~~shall~~
21 must be first approved by the Public Utilities Commission pursuant to the Maine Revised
22 Statutes, Title ~~35~~ 35-A, section ~~474~~ 902.

23

SUMMARY

24

This bill amends the charter of the Richmond Utilities District to remove the cap on
25 the district's total indebtedness and to update obsolete language and references.