

MAINE STATE LEGISLATURE

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Sixty-Ninth Legislature.

SENATE.

No. 116

STATE OF MAINE.

IN THE YEAR OF OUR LORD ONE THOUSAND EIGHT
HUNDRED AND NINETY-NINE.

AN ACT to authorize the town of Kingfield to purchase the
Property and Franchises of the Kingfield Water Company,
and to incorporate the Kingfield Water Commissioners.

*Be it enacted by the Senate and House of Representatives in
Legislature assembled, as follows:*

Section 1. The inhabitants of the town of Kingfield are
2 hereby authorized to purchase the franchises and property of
3 the Kingfield Water Company, and to issue bonds therefor
4 in whole or in part to be known as Kingfield water bonds
5 in such amount and at such rate and on such time as said
6 inhabitants shall vote as hereinafter provided.

Sect. 2. The Kingfield Water Company is hereby author-
2 ized to sell, transfer and convey its franchises and property
3 to the town of Kingfield, or to the Kingfield water commis-
4 sioners hereinafter incorporated.

Sect. 3. At any meeting of the inhabitants of said town
2 they may by a majority vote instruct the municipal officers
3 thereof to purchase said franchises and property at such price
4 and upon such conditions as shall be then voted.

Sect. 4. The town of Kingfield, in case it shall so purchase
2 the franchises and property of said Kingfield Water Com-
3 pany, shall succeed to all the rights and privileges of said
4 company, and be subject to all its duties.

Sect. 5. The selectmen of Kingfield in office, on the
2 approval of this act by the governor, and their successors,
3 to be hereafter elected in accordance with law, are hereby
4 created a body corporate and politic, by the name of the
5 Kingfield Water Commissioners, and as such shall have a
6 common seal, and power to sue and be sued. The Kingfield
7 Water Commissioners shall elect a president from among
8 their own number, and shall elect a clerk, and choose such
9 other officers as the town of Kingfield may hereafter desig-
10 nate by ordinance. The town treasurer of the town of King-
11 field, for the time being, shall be treasurer, ex-officio, of the
12 Kingfield Water Commissioners, and shall keep the accounts
13 of the money received and disbursed by him as treasurer of
14 the town, separate and distinct from those of the money
15 received and disbursed by him as treasurer of said Kingfield
16 Water Commissioners.

Sect. 6. The powers and duties of said Kingfield Water
2 Commissioners shall be those prescribed by such ordinances
3 as the town of Kingfield may, from time to time, ordain.

Sect. 7. The Kingfield Water Commissioners are hereby
2 authorized to issue the bonds of the corporation, to be known
3 as the Kingfield Water Commissioners' bonds, at such rates
4 and on such times as may be approved by the town and for
5 such amount as in conjunction with the other indebtedness
6 of said town, shall not exceed the constitutional limit of the

7 indebtedness which said town may incur; and the proceeds
8 of the sale of said bonds shall be used exclusively for the
9 purpose of paying the floating indebtedness incurred by the
10 town of Kingfield in the purchase and extension of the system
11 of water works by this act authorized, and for such future
12 extensions and improvements as may be approved by the said
13 town, or for the purchase by said commissioners by this act
14 authorized.

Sect. 8. The town of Kingfield is hereby authorized to
2 convey to the Kingfield Water Commissioners, the corpora-
3 tion hereby created, in trust all the property to be purchased
4 by said town of the Kingfield Water Company, under the
5 provisions of this act, together with all additions, extensions
6 and improvements made to said system of water works, for
7 the sole purpose of securing the payment of the bonds issued
8 under the provisions of section seven of this act, and for no
9 other purpose. In like manner the Kingfield Water Com-
10 pany may convey its property and franchises direct to said
11 commissioners. Said Kingfield Water Commissioners, in
12 either case, may hold said property in trust for said purpose.
13 And said system of water works shall be holden for payment
14 of said bonds and their coupons, and said bonds and their
15 coupons shall constitute a first lien thereon, subject to any
16 existing incumbrance; and said lien shall not be impaired by
17 said town or by said Kingfield Water Commissioners until
18 all said bonds and coupons issued hereunder shall have been
19 paid and said trust discharged.

Sect. 9. In case of default in the payment of any of said
2 bonds, the coupons attached thereto, when due, any holder
3 thereof may petition the supreme judicial court for the county
4 of Franklin, by bill in equity, for the benefit of himself, as
5 well as for the benefit of all other holders of said bonds, and
6 said court may enforce said lien, by appointment of receiver

7 and by sale of said property, according to the usual practice
8 in equity proceedings.

Sect. 10. The rates for the supply of water, charged and
2 collected by said Kingfield Water Commissioners, shall be
3 fixed so that all expenses for repairs and management shall
4 be paid annually, together with interest on the cost of the
5 purchase of said system of water works by the town, and on
6 the cost of all extensions thereto, and in addition thereto, not
7 less than one per cent of said principal expenditures.

Sect. 11. Said Kingfield Water Commissioners shall invest
2 the said one per cent of the principal expenditures mentioned
3 in section six of this act as a sinking fund, in such securities
4 as savings banks in this State are by law authorized to invest
5 in. Any surplus of the receipts of said Kingfield Water
6 Commissioners remaining at the end of the municipal year
7 after paying for all repairs, operating expenses, extensions
8 and interest charges as aforesaid, and said one per cent for
9 the sinking fund, said Kingfield Water Commissioners shall
10 likewise invest as aforesaid, and place in said sinking fund.
11 And said Kingfield Water Commissioners, may, when neces-
12 sary, reinvest any of said securities. Said sinking fund and
13 its accumulations shall be held solely for the purpose of
14 redeeming and paying the principal of said bonds. Said
15 town treasurer shall be the custodian of the sinking fund.

Sect. 12. Bonds issued under the provisions of this act
2 may be purchased and held by savings banks in this State.

Sect. 13. The town of Kingfield may assume the indebted-
2 ness represented by said bonds whenever it can constitution-
3 ally do so, by exchanging its own bonds for the bonds issued
4 under the provisions of this act, and said bonds shall so pro-
5 vide. Bonds so providing shall be deemed negotiable. And
6 whenever all the indebtedness is thus assumed by the ex-
7 change of bonds, or whenever said bonds and their coupons

8 are all paid, said trust shall thereupon be discharged, on
9 petition of said town of Kingfield, or said Kingfield Water
10 Commissioners, to the supreme judicial court for the county
11 of Franklin, sitting in equity, and said property, shall be
12 reconveyed to said town of Kingfield, discharged of said trust.

Sect. 14. Said Kingfield Water Commissioners shall not
2 sell, mortgage, or in any way dispose of said property, but
3 shall hold the same solely for the purposes of the trust pro-
4 vided for by this act.

Sect. 15. All duties and powers necessary to be exercised
2 with respect to said system of water works not conferred
3 upon said Kingfield Water Commissioners by this act, or by
4 any ordinances to be hereafter ordained by said town, shall
5 be vested in the town of Kingfield. The town of Kingfield,
6 and not said Kingfield Water Commissioners, shall be liable
7 for all damages occasioned under and through the use of the
8 franchises of the said Kingfield Water Company, and for
9 such other defaults as said town would have been liable for
10 had not the trust therein provided for been created.

Sect. 16. This act shall take effect when approved.



STATE OF MAINE.

IN SENATE, March 8, 1899.

Reported by Mr. PLUMMER from Committee on Legal Affairs, and
laid on table to be printed under joint rules.

KENDALL M. DUNBAR, *Secretary*.