

# MAINE STATE LEGISLATURE

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NINETY - EIGHTH LEGISLATURE

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Legislative Document

No. 338

H. P. 230

House of Representatives, January 30, 1957.

Referred to Committee on Public Utilities. Sent up for concurrence and ordered printed.

HARVEY R. PEASE, Clerk.

Presented by Mr. Johnson of Stockholm.

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STATE OF MAINE

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IN THE YEAR OF OUR LORD NINETEEN HUNDRED  
FIFTY-SEVEN

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**AN ACT Creating the Limestone Utility District.**

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**Emergency preamble.** Whereas, the furnishing of facilities for water, lights, power and sewerage are vitally essential for the health and well-being of the inhabitants of the town of Limestone; and

Whereas, such services should be provided as soon as possible; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

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

**Sec. 1. Territorial limits; corporate name and purpose.** The inhabitants and territory within the town of Limestone in the county of Aroostook shall be and hereby are constituted a body politic and corporate under the name of the "Limestone Utility District," for the purpose of supplying the town of Limestone and the inhabitants of said town with pure water for domestic, commercial, sanitary and municipal purposes, including the extinguishment of fires, and of supplying the town of Limestone and the inhabitants of said town with suitable and adequate sewerage facilities, and of supplying electric lights and power to the town of Limestone and the inhabitants thereof, as hereinafter provided.

**Sec. 2. Powers of Limestone Utility District.** Said Limestone Utility District is hereby authorized for the purposes aforesaid to take, collect, store, flow, use, detain, distribute and convey to the town of Limestone or any part thereof water from any lake, pond, stream or river, or from any surface or under-

ground brook, spring or vein of water in town or near said town in the United States or Canada, and is also authorized to locate, construct and maintain aqueducts, pipes, conduits, standpipes, hydrants, pumping stations and other necessary structures and equipment therefor, and erect poles and lines and do anything necessary to furnish water, lights, power and sewerage and drainage for public purposes and for public health, comfort and convenience of the inhabitants of towns now supplied by the Limestone Electric Company and other parts of said towns; provided, however, that nothing herein contained shall be construed as authorizing said district to supply electric lights and power as aforesaid unless and until it shall acquire the property of the said Limestone Electric Company.

**Sec. 3. Rights of eminent domain conferred.** The said district, for the purpose of its incorporation, is hereby authorized to take and hold, as for public uses, by purchase, eminent domain or otherwise, any land or interest therein, or water rights necessary for pumping its water supply through its mains, for reservoirs, for preserving the purity of the water and watershed, for laying and maintaining aqueducts and other structures, for taking, distributing, discharging and disposing of water and for rights-of-way and roadways to its sources of supply, power stations, reservoirs, mains, aqueducts, structures and lands, also all things necessary for supplying water, electric lighting and power. The district may, for the purposes outlined in this chapter, do any and all things necessary to provide a system of sewerage and drainage for public purposes and for the health, comfort and convenience of the inhabitants of said district either by construction, eminent domain, or purchase of any existing facilities. Provided, however, nothing herein contained shall be construed as authorizing said district to take by right of eminent domain any of the property or facilities of any other public service corporation used, or acquired for future use, by the owner thereof in the performance of a public duty, unless expressly authorized thereto herein or by subsequent act of the Legislature.

**Sec. 4. Authorized to lay mains, pipes, conduits, etc., through public ways and across private lands.** The said district is hereby authorized to lay in and through the streets, roads, ways and highways of the town of Limestone and other towns served by it and across private lands therein and to maintain, repair and replace all such pipes, mains, conduits, aqueducts, poles and wires, and fixtures as may be necessary and convenient for its corporate purposes, and whenever said district shall lay any pipes, aqueducts, conduits or pole lines in any street, roadway or highway, it shall cause the same to be done with as little obstruction as practicable to the public travel, and shall at its own expense, without unnecessary delay, cause the earth and pavement removed by it to be replaced in proper condition.

**Sec. 5. Procedure in exercising rights of eminent domain.** After the original acquisition for which provision is made in sections 9 and 11 of this act, the said district in exercising, from time to time, any right of eminent domain conferred upon it by law or through or under the franchise of any company by it acquired shall file written application with the Public Utilities Commission requesting its approval of the proposed taking. Such application shall describe the property or rights to be taken, the purpose of the taking, and shall name all parties who may be interested therein. The Commission thereupon shall appoint

a time for a hearing near the premises, and shall require such notice as the Commission may direct to be given to the persons interested, at least 14 days before the date of the hearing. The Commission shall then view the premises, hear the parties and shall determine how much, if any, of the property described in the petition should be taken for the reasonable purpose of the district; and in authorizing any taking the Commission may attach such reasonable terms, limitations and restrictions as justice may require. If the Commission shall find that any of the property described in the application is necessary for the aforesaid purposes of the district, it shall make a certificate containing a definite description of the property to be taken, and of any terms, restrictions and limitations in connection therewith, and shall furnish to the district a true copy thereof, attested by the clerk of the Commission; and when such copy of the certificate is filed with the clerk of courts in the county where the property lies, the property shall be deemed and treated as taken; provided, however, that when the property is held by a tenant for life and the reversion is contingent as to the persons in whom it may vest at the termination of the life estate, such fact shall be stated in the application and the Commission, in addition to the notice to the tenant for life, shall require notice by publication, in such manner as it may deem proper, to all others interested. Entry may be made on any private land prior to the filing of any such application for the purpose of making surveys, the district being responsible for any damage resulting from such entry, and possession may be had of the property described in the certificate of the Commission forthwith upon filing and recording of such certificate as hereinbefore provided, but title to such property shall not vest in the district until payment therefor has been made.

**Sec. 6. Adjustment of damages.** If any person sustaining damages by any taking as aforesaid shall not agree with the trustees of said district upon the sum to be paid therefor, either party, upon petition to the county commissioners of Aroostook county may have said damages assessed by them; the procedure and all subsequent proceedings and the rights of appeal thereon shall be had under the same restrictions, conditions and limitations as are or may be prescribed in the case of damages by laying out of highways. Payment of the award shall be reported to and proven before the county commissioners who shall thereupon record the fact of such payment in the proceedings before the county commissioners. If upon final adjudication of the award and tender of the amount thereof, any person entitled thereto shall refuse acceptance thereof, said amount shall be deposited with the county commissioners for the benefit of the person entitled thereto; and such deposits shall be recorded by the county commissioners in the proceedings pursuant to said petition, and shall constitute a final acquittance of liability of the district in the premises.

**Sec. 7. Procedure if public utility must be crossed.** In case of crossing of any public utility, unless consent is given by the company owning and operating such public utility as to place, manner and conditions of the crossing within 30 days after such consent is requested by such district, the Public Utilities Commission shall determine the place, manner and conditions of such crossing, and all work on the property of such public utility shall be done under the supervision and to the satisfaction of such public utility, but at the expense of the district.

**Sec. 8. Board of trustees.** All the affairs of said district shall be managed by a board of trustees composed of 3 members, who shall be bona fide residents of the town of Limestone and who shall be elected by written ballot within 60 days after the acceptance of this act by the inhabitants of said district as hereinafter provided, but that no member of the board of trustees may hold any other elective office in Limestone and if elected to any other office he shall automatically cease to be a trustee. The term of the trustees shall expire at the end of the municipal year of the town of Limestone. Whenever a term of office of a trustee expires, the voters shall elect a trustee for a full term of 3 years at the regular town elections held in March. As soon as convenient after the members of said Board are elected, said trustees shall hold a meeting in the town of Limestone and organize by the election of a president and a clerk, adopt a corporate seal, choose a treasurer and, when necessary, all other needful officers and agents who, with the treasurer, shall serve at their pleasure and whose compensation shall be fixed by the trustees. The trustees shall meet monthly and specially as may be necessary and each shall receive compensation of \$10 for each regular or special meeting attended; provided, however, that the total annual compensation of each shall not exceed \$300. They shall publish an annual report. Whenever a vacancy occurs in the office of president, clerk or treasurer it shall be filled promptly by said board of trustees. At said first meeting they may determine by agreement or failing to agree they shall determine by lot, the term of office of each trustee so that one shall retire each year and the term of office of the first trustee to expire shall end at the end of the municipal year of the town of Limestone following the acceptance of this act; and thereafter the term of office of a trustee shall expire with the end of each municipal year. When any trustee ceases to be a resident of the town of Limestone, he vacates the office of trustee. They may also ordain and establish such by-laws as are necessary for their convenience and the proper management of the affairs of the district. Said trustees may procure an office and incur such expense as may be necessary. The treasurer shall furnish bond in such sum and with such sureties as they may approve. Members of the board of trustees may be eligible to any office under the board, and shall be sworn into office by a justice of peace, notary public or the clerk of the town of Limestone.

**Sec. 9. Authorized to acquire property and franchises of Limestone Electric Company and Limestone Water and Sewer Company.** Said utility district is hereby authorized and empowered to acquire by purchase or by the exercise of eminent domain, which right is hereby expressly delegated to said district for said purpose, the entire plant, properties, franchises, rights and privileges, except cash assets and accounts receivable, owned by the Limestone Water and Sewer Company and the Limestone Electric Company, including all lands, waters, water rights, dam structures, reservoirs, pipes, machinery, fixtures, hydrants, tools and all apparatus and appliances used or usable in supplying water and sewerage facilities and drainage in the territory; and the entire plant property, franchise property rights, privileges and assets, including land, poles, wiring fixtures, machinery, apparatus and appliances, except cash assets and accounts receivable owned, used or exercised by said company used or usable in supplying lights and power in the territory served by the said Limestone Electric Company. If and when so acquired, the said district, in addi-

tion to the powers conferred by this act, shall have and enjoy and be entitled to exercise all of the rights, privileges and franchises of said Limestone Water and Sewer Company and the Limestone Electric Company, and may do and perform any and all of the acts and things authorized by the original charters of the Limestone Water and Sewer Company and the Limestone Electric Company insofar as they are not inconsistent with the provisions of this act.

**Sec. 10. Valid contracts of present companies to be assumed by district.**

All valid contracts now existing between the Limestone Electric Company or the Limestone Water and Sewer Company and said town or other towns and any persons or corporations for supplying water, lights and power, sewerage or drainage in the town of Limestone or elsewhere shall in the event of such acquisitions be assumed and carried out by said Limestone Utility District.

**Sec. 11. Procedure in case trustees fail to agree on terms of purchase.** In case the trustees fail to agree with either the Limestone Water and Sewer Company or the Limestone Electric Company upon the terms of purchase of said properties on or before January 1, 1959, said district, through its trustees aforesaid, is hereby authorized to take the plant, property and franchises of any or all of said companies for public use by separate petition therefor in the manner hereinafter provided. Said district, through its trustees, is hereby authorized after January 1, 1959 and before July 1, 1959, to file its petition if proceedings are necessary against any of said companies, in the clerk's office of the Superior Court for the county of Aroostook, in term time or in vacation, addressed to any Justice of said court, who after due notice to the company or companies interested and their mortgagees shall after hearing and within 30 days after the date at which said petition is returnable, appoint 3 disinterested appraisers, one of whom shall be learned in the law and none of whom shall be residents of Aroostook county, for the purpose of fixing a valuation of said plant, property and franchises. In the event petitions are filed against more than one company, the court may in its discretion appoint the same appraisers. At the hearing aforesaid, such Justice, upon motion of the petitioner, may order the production and filing in court, for the inspection of the petitioner, of all books and papers pertinent to the issue and necessary for a full understanding of the matter to be heard by said appraisers, the terms and conditions of so producing and filing such books and papers to be determined by the Justice in his order therefor and to be enforced from time to time as any Justice of the said Superior Court, in term or in vacation, upon motion of either party, may deem reasonable and proper in the premises. At such hearing, such Justice upon motion of the petitioner may fix a time at which the said company shall file in the clerk's office of the Superior Court for the county of Aroostook for the inspection of the petitioner, the following: (1), schedule showing the names, residences and character of service of all its customers on the 1st day of January, 1959, with the rate charged therefor; (2), copies of all contracts in force on said 1st day of January, 1959; (3), an itemized statement of the gross income earned during the last complete fiscal year and up to said 1st day of January, 1959, and all operating expenses and fixed charges, paid or incurred during such period and properly chargeable thereto; (4), a memorandum of all real estate, water rights or interest therein owned or controlled on said 1st day of January, 1959, with such brief description thereof as will reasonably

identify the same: (5), brief descriptions, specifications and plans of all reservoirs, mains, pipes, service pipes, hydrants, gates, gate boxes, shutoff boxes, fixtures and machinery, meters, lines and other facilities for providing water, sewer, lights and power services where located showing streets, roads and ways; and (6), an itemized list of all tools, apparatus, appliances and supplies used or usable in maintaining said water, sewerage and electrical system, as the case may be, on said 1st day of January, 1959. Such orders may be enforced from time to time by any Justice of said Superior Court, in term time or in vacation, upon motion of either party, as such Justice may deem reasonable and proper in the premises. At such hearings the Justice then sitting may, upon motion of the petitioner, make all such decrees as he deems reasonable and proper to enable the petitioner, through its servants and employees, to ascertain the true condition of the physical properties of the said water, sewerage or electric companies as the case may be, in the presence of the officers or agents of said companies, the entire expense thereof to be borne by said district.

The said appraisers shall have the power of compelling attendance of witnesses and the production of all books, accounts and the papers pertinent to the issue and necessary for a full understanding by them of the matter in question and may administer oaths, and any witness or person in charge of such books and accounts and papers refusing to attend or to produce the same shall be subject to the same penalties and proceedings so far as applicable, as witnesses summoned to attend the Superior Court. Depositions may be taken as in civil actions. The appraisers so appointed shall, after notice and hearing, fix the valuation of said plant, property and franchises at what they are fairly and equitably worth, so that said company shall receive just compensation for all and the same. The 1st day of January, 1959, shall be the date as of which the valuation aforesaid shall be fixed, from which date interest on said award shall run and all rents and profits accruing thereafter shall belong to said district. The report of said appraisers or a majority of them shall be filed in said clerk's office, in term time or in vacation, as soon as may be after their appointment, and such single Justice, or in case of his inability to act, any Justice of said Court appointed by the Chief Justice may, after notice and hearing, confirm or reject the same or recommit it if justice so requires.

Before a commission is issued to said appraisers, either party may ask for instructions or any matters in issue may be reported to the Law Court for determination before appraisers proceed to fix the valuation of the property, plant and franchises of said company. Upon the confirmation of said report, the Court so sitting shall thereupon after hearing make final decree upon the entire matter, including the application of the purchase money and transfer of property, jurisdiction over which is hereby conferred, and with the power to enforce said decree as in equity cases. All findings of fact by said court shall be final, but any party aggrieved may take exception as to any ruling of law so made, the same to be accompanied by so much of the case as may be necessary to a clear understanding of the questions raised thereby. Such exceptions shall be claimed on the docket within 10 days after final decree is signed, entered and filed and notice thereof has been given to the parties or their counsel, and said exceptions so claimed shall be made up, allowed and filed within said time unless further

time is granted by the Court or by agreement of the parties. They shall be entered at the next term of the Law Court to be held after the filing and entry of said decree and there heard unless otherwise agreed; or the Law Court for good cause shall order further time for hearing thereon.

Before said plant, property and franchises are transferred in accordance with such final decree and before payment therefor as herein before provided, such Justice shall, upon motion of either party, after notice and hearing take account of all receipts and expenditures properly had or incurred by the company, from and after said 1st day of January, 1959, and all net rents and profits accruing thereafter, and shall order the net balance to be added to or deducted from, the amount to be paid under such final decree, as the case may be. All findings of fact by such Justice at such hearings shall be final. On payment or tender by said district of the amount so imposed by said Court, the entire plant, property and franchises of said companies used and usable in supplying water, sewerage and electrical facilities as the case may be in the Town of Limestone or elsewhere shall become vested in said district. Either party may file and prosecute motions and petitions relating to the premises at any state of the proceedings, and the proceedings shall not be discontinued except upon consent of both parties. If a vacancy occurs at any time in said board of appraisers from any cause, such sitting Justice, or in case of his inability to act, any Justice of said Court appointed by the Chief Justice may after notice and hearing appoint a new appraiser or appraisers and make all such orders for hearing said cause by the appraisers, anew or for any extension of time for making their award, or otherwise, as the circumstances of the case may require. Nothing herein contained shall preclude said district from acquiring said properties from said company at any time by mutual agreement.

**Sec. 12. Authorized to negotiate temporary loans; and to issue notes and bonds; declared a quasi-municipal corporation; notes and bonds legal investments for savings banks.** For accomplishing the purposes of this act, said district, through its trustees, is authorized to borrow money temporarily in an amount not to exceed \$500,000, and to issue therefor the interest-bearing negotiable notes of the district and for the purpose of refunding the indebtedness so created, of paying any necessary expenses and liabilities incurred under the provisions of this act, including the expenses incurred in the creation of the district, in reimbursing said town, in acquiring the aforesaid properties, privileges and franchises of the Limestone Water and Sewer Company and Limestone Electric Company by purchase or otherwise, of securing sources of supply, taking water and land, paying damages, laying pipes, erecting poles and wires, constructing and maintaining and operating a water, sewerage and drainage, and light and power distribution system, and making extensions, additions and improvements to the same, the said district through its trustees may from time to time issue bonds of the district to an amount necessary in the judgment of the trustees therefor, maturing at one time or in uniform or varying installments with or without call provisions and at or without any premium. Said notes and bonds shall be legal obligations of said district, which is hereby declared to be a quasi-municipal corporation within the provisions of sections 136 and 137 of chapter 53 of the Revised Statutes of 1954 and all the provisions of said sections



shall be applicable thereto. The said notes and bonds shall be legal investments for savings banks and exempt from taxation.

**Sec. 13. Property, tax exempt.** The property of said Limestone Utility District shall be exempt from all taxation in the Town of Limestone.

**Sec. 14. Execution of instruments.** Any and all instruments to be executed by the district may, upon authorization by the board of trustees, be executed in its behalf by its president and treasurer who may impress its corporate seal and make any necessary acknowledgment thereof, except that upon interest coupons attached to any bond to be issued, the facsimile signature of the treasurer may be sufficient.

**Sec. 15. Rates, application of revenue, sinking fund.** All individuals, firms and corporations, whether private or public, shall pay to the treasurer of said district the rates established by said board of trustees for the services used by them, and said rates shall be uniform within the territory supplied by the district and subject to the approval of the Public Utilities Commission. Said rates shall be so established as to provide revenue for the following purposes:

**I.** To pay the current expenses for operating and maintaining the water, lights, power and sewer systems.

**II.** To provide for payment of the interest on the indebtedness created or assumed by the district.

**III.** To provide each year a sum equal to not less than 1% nor more than 5% of the entire indebtedness created or assumed by the district, which sum shall be turned into a sinking fund and there kept to provide for the extinguishment of said indebtedness. The money set aside for the sinking fund shall be devoted to the retirement of the obligations of the district or invested in such securities as savings banks are allowed to hold. The trustees may, in their discretion and in lieu of the establishment of a sinking fund, issue the bonds of the district so that not less than 1% of the amount of the bonds so issued shall mature and be retired each year.

**IV.** If any surplus remains at the end of the year it may be turned into the sinking fund.

**Sec. 16. Incidental powers granted.** All incidental powers, rights and privileges necessary to the accomplishment of the main object herein set forth are granted to the corporation hereby created.

**Sec. 17. Successors or assigns of the aforesaid companies.** It is specially authorized by this act that the said utility district shall have the right to acquire as herein provided the franchises and properties of any of the aforesaid companies or their successors or assigns.

**Sec. 18. Existing statutes not affected; rights conferred subject to provisions of law.** Nothing herein contained is intended to repeal, or shall be construed as repealing, the whole or any part of any existing statute, and all the rights and duties herein mentioned shall be exercised and performed in accordance with all the applicable laws of the Revised Statutes and all acts amendatory thereof and additional thereto.

**Sec. 19. Lien to secure payment of rates; procedure.** There shall be a lien on real estate served by the sewers of the district to secure the payment of rates established and due under the provisions of section 15, which shall take precedence of all claims on such real estate, excepting only claims for taxes. Real estate for the purposes of this act shall bear the same definition as given in sections 4 and 5 of chapter 91-A of the Revised Statutes of 1954, as enacted by section 1 of chapter 399 of the public laws of 1955.

**Sec. 20. Act void unless property of one or more of these companies is acquired.** If said utility district shall fail to purchase or file its petition to take by eminent domain before July 1, 1959, one or more of the companies as in this act provided, then this act shall become null and void.

**Sec. 21. Emergency clause; referendum; certificate to Secretary of State.** In view of the emergency cited in the preamble, this act shall take effect when approved, only for the purpose of permitting its submission to the legal voters of said proposed district at the next annual town meeting of the town of Limestone, which will be held in March, 1957, or at a special town meeting to be held within 4 months after approval of this act, an appropriate article being inserted in the call for such meetings. A check list shall be used at such meetings. Such special meeting shall be called, advertised and conducted according to the law relating to municipal elections. The town clerk shall prepare the required ballots on which he shall reduce the subject matter of this act to the following question: "Shall the act Creating the Limestone Utility District, passed by the 98th Legislature, be accepted?" and the voters shall indicate by a cross or check mark placed against the words "Yes" or "No" their opinion of the same. This act shall take effect for all the purposes hereof immediately upon its acceptance by a majority of the legal voters voting at said meeting; provided that the total number of votes cast for and against the acceptance of this act at said meeting equaled or exceeded 20% of the total vote for all candidates for Governor cast in said town at the next preceding gubernatorial election.

The result of said vote shall be declared by the municipal officers of the town of Limestone and due certificate thereof shall be filed by the town clerk with the Secretary of State.