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An Act To Create the Washburn Water and Sewer District

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

Sec. 1. Territorial limits; corporate name. The territory and inhabitants of the Town of Washburn constitute a water and sewer district under the name Washburn Water and Sewer District, referred to in this Act as "the district."

Sec. 2. Powers; authority; duties. The district has all the powers and authorities and is subject to all the requirements and restrictions provided to a water district in the Maine Revised Statutes, Title 35-A, chapter 64. The district has all the powers and authorities and is subject to all limitations and restrictions provided to a sanitary district formed under Title 38, chapter 11, except that sections 1062, 1101, 1102, 1103, 1104, 1105, 1106 and 1162 do not apply to the district and any notice of impending automatic foreclosure issued by the district pursuant to section 1208 must bear the name "Washburn Water and Sewer District" in all appropriate locations. The provisions of Title 38, chapter 12 do not apply to the district.

Sec. 3. Number of trustees. The board of trustees of the district is composed of 3 trustees. A trustee must be a resident of the district and reside in a household to which the district's service is provided.

Sec. 4. First board. The first board of trustees of the district is appointed by the municipal officers of the Town of Washburn. The terms of the first board are governed by the Maine Revised Statutes, Title 35-A, section 6410.

Sec. 5. Terms of trustees. After the appointment of the first board of trustees of the district, trustees are elected to 3-year terms.

Sec. 6. Acquisition of property of Washburn Water and Sewer Department. The district, through its trustees, may acquire by purchase the plants, properties, assets, franchises, rights and privileges owned by the Washburn Water and Sewer Department, including, without limitation, all lands, waters, water rights, reservoirs, pipes, machinery, fixtures, hydrants, tools, treatment systems, treatment facilities and pump stations and all apparatus and appliances used or usable in supplying water and in providing sewer service within the district.

Sec. 7. Assumption of debts. On the date of purchase of the property of the Washburn Water and Sewer Department by the district pursuant to section 6, the district shall assume all of the outstanding debts, obligations and liabilities of the department, including, without limitation, the assumption by the district of any outstanding notes or bonds of the department that are due on or after the date of purchase. If the debt, obligations, liabilities, notes or bonds are not assumable, then the district shall otherwise be obligated for their repayment.

Sec. 8. Transfer of contracts, permits and licenses. All contracts between the Washburn Water and Sewer Department and any person, firm or corporation that are in effect on the date of purchase pursuant to section 6 are assumed and must be carried out by the district. All permits and licenses held by the department that are in effect on the date of purchase pursuant to section 6 are assumed by the district.

Sec. 9. Approval of Public Utilities Commission. The sale and transfer by the Washburn Water and Sewer Department to the district of its plants, properties, assets, franchises, rights and privileges and the assumption by the district of the department's outstanding debts, obligations and liabilities and the subsequent use of the plants, properties, assets, franchises, rights and privileges by the district within the limits of the district are subject to the approval of the Public Utilities Commission under the Maine Revised Statutes, Title 35-A, Part 1. The requirements of this section only apply to the water utility portion of the Washburn Water and Sewer Department and the district.

Sec. 10. Referendum; effective date. This Act takes effect when approved only for the purpose of permitting its submission to the legal voters within the territory described in section 1 of this Act at an election called for that purpose and held within 2 years of the effective date of this Act. The election must be called, advertised and conducted according to the law relating to municipal elections, except that the registrar of voters is not required to prepare or the clerk to post a new list of voters. For the purpose of registration of voters, the registrar of voters must be in session the secular day preceding the election. The subject matter of this Act is reduced to the following question:

"Do you favor creating the Washburn Water and Sewer District and permitting it to acquire assets of the Washburn Water and Sewer Department?"

The voters shall indicate by a cross or check mark placed against the word "Yes" or "No" their opinion of the same. The results must be declared by the municipal officers of the Town of Washburn and due certificate of the results filed by the clerk with the Secretary of State. This Act takes effect for all other purposes immediately upon its approval by a majority of the legal voters voting at the election. Failure to achieve the necessary approval in any referendum does not prohibit subsequent referenda consistent with this section, provided the referenda are held within 2 years of the effective date of this Act.