

LD 2234, An Act to Increase the Debt Limit of the Vinalhaven Water District

Testimony of Pamela Alley, Vinalhaven Water District Chairperson Trustee

March 19, 2026 @ 1PM

Good afternoon, Chair Sachs and Honorable Members of the Energy, Utilities and Technology Committee:

My name is Pam Alley, and I have served as Chairperson and Trustee of the Vinalhaven Water District for the past 22 years. I appreciate the opportunity to provide testimony in support of LD 2234, "An Act to Increase the Debt Limit of the Vinalhaven Water District."

The district's current debt limit, established in its charter, is \$1.5 million. As you can appreciate, this amount does not carry the same purchasing power today as it did when the limit was set in 1978. This constraint has become increasingly challenging as the district works to address critical infrastructure needs and ensure the continued reliability of our island community's drinking water system.

At present, the district is preparing to finalize funding for two significant capital projects. The first is a coordinated effort with the Town of Vinalhaven to support downtown infrastructure improvements and enhance climate-related resiliency. As part of this project, the district will replace approximately 330 linear feet of 10-inch water main that dates back to 1908.

The second project is focused on improving water quality. The district plans to install granular activated carbon vessels to remove organic compounds from the drinking water, thereby meeting and strengthening compliance and improving overall water quality for our customers.

Both projects have received support through the Drinking Water State Revolving Fund, including principal forgiveness and American Rescue Plan Act (ARPA) grant funding. Timely execution of this funding is essential to ensure the district does not lose access to these critical funding opportunities. Additionally, operating at or near our existing debt limit leaves the district with minimal flexibility to respond to unforeseen needs, such as emergency repairs or future capital improvements.

As the District evaluated the financial requirements associated with these projects, it became clear that the current debt limit is no longer adequate. For this reason, I respectfully request your support for increasing the Vinalhaven Water District's debt limit from \$1.5 million to \$4 million. The Board of Trustees and I believe this is a fiscally responsible adjustment that will allow the district to meet necessary infrastructure needs while maintaining prudent financial management.

Thank you for your time and consideration of this legislation. I would be pleased to answer any questions the Committee may have.