

Boothbay Region



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Testimony of Boothbay Region Water District in Support of LD 293, An Act to Modify the Debt Limit of the Boothbay Region Water District

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Good afternoon Chair Lawrence, Chair Sachs, and members of the Joint Standing Committee on Energy, Utilities and Technology. My name is Weston Alley, and I am the General Manager of the Boothbay Region Water District. I am pleased to appear before you today to speak in support of LD 293, which is An Act to Modify the Debt Limit of the Boothbay Region Water District. Our support focuses on the version of the bill presented by Rep. Stover that replaces the original bill.

First, a thank you to Rep. Stover for agreeing to put in this bill and the amendment presented earlier. Rep. Stover has been a wonderful asset to our community and a valuable member of our water district's board of trustees.

Second, before turning to the bill itself, some quick background. Public water service has been provided in the Boothbay Region for a very long time. However, about 25 years ago, the Boothbay Region Water District was formed by an act of this Legislature, and under that direction from the Legislature, the District provides public drinking water for three communities: the Town of Boothbay, the Town of Boothbay Harbor, and the Town of Southport.

Which brings us to today's bill. Under Section 6 of the District's Charter, the District is allowed to borrow money to meet the needs of our system, up to \$12 million. This provision allows the District to borrow higher amounts as well, provided the higher amount is approved by the residents of the District through a voter referendum. In 2023, we did just that, and the voters of the District approved an increase in the debt limit to \$19 million. The amendment to LD 293 presented by Rep. Stover would simply codify in the District's charter what the voters approved in 2023.

Why do we need legislation to codify what the voters already approved? Two reasons. One, it is helpful to have the District's charter clearly reflect its actual debt limit rather than rely on separate records for members of the public to figure out what the debt limit actually is. Second, it is helpful when the District goes out to borrow money that there is no ambiguity about how much money the District is allowed to borrow, which is important for lenders and bondholders who want to know that the District has the legal authority to issue debt in excess of the \$12 million that currently is stated in our charter. Without updating the Charter to say \$19 million, lenders have to rely on assurances that the 2023 referendum votes in the three towns were duly noticed, that the clerk certificates were properly prepared, that the District's trustees properly received the clerk certificates and declared the results, and that the results were properly and timely filed with the Maine Secretary of State. Any one of these steps could have a technical problem,

and demonstrating affirmatively that there were no problems would be time-consuming and would likely never result in a 100% assurance that every “i” was dotted and “t” crossed.

In our case, the voters voted in 2023. The District’s trustees formally accepted the results in 2024. And the filing with the Secretary of State was not made until just recently in 2025. We do not believe these delays in any way undo the results of the referendum vote. But rather than worry, the amendment presented by Rep. Stover removes all doubt that what the voters approved in 2023 was legal. And that assures that the District will be able to borrow the money it needs to keep the system operational.

In short, that is the reason we appear before you today. We hope you will support this proposal, and if you have any questions, please do not hesitate to let us know. Thank you.