



# 129th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2020

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Legislative Document

No. 1880

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H.P. 1346

House of Representatives, December 24, 2019

### An Act To Repeal and Replace the Canton Water District Charter

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 203.

Received by the Clerk of the House on December 20, 2019. Referred to the Committee on Energy, Utilities and Technology pursuant to Joint Rule 308.2 and ordered printed pursuant to Joint Rule 401.

A handwritten signature in cursive script that reads "R B. Hunt".

ROBERT B. HUNT  
Clerk

Presented by Representative PICKETT of Dixfield.  
Cosponsored by Senator HAMPER of Oxford and  
Representatives: DILLINGHAM of Oxford, DOLLOFF of Rumford, GRIFFIN of Levant,  
KINNEY of Knox, TUELL of East Machias.

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

2 **Sec. 1. P&SL 1957, c. 44**, as amended by P&SL 1989, c. 52, §§1 to 11 and P&SL  
3 1993, c. 75, §1, is repealed and the following enacted in its place:

4 **Sec. 1. Territorial limits; corporate name; purposes.** Pursuant to the Maine  
5 Revised Statutes, Title 35-A, chapter 64, that part of the Town of Canton described as  
6 follows and its inhabitants constitute a standard district under the name "Canton Water  
7 District," referred to in this Act as "the district," for the purpose of supplying the  
8 inhabitants of that district and the Town of Canton with pure water for domestic, sanitary,  
9 commercial, industrial and municipal purposes: all areas west of the Androscoggin  
10 River; north and east of the Hartford town line; south of the Peru town line; and north and  
11 west of the Livermore town line.

12 **Sec. 2. Powers; authority; duties.** The district has all the powers and authority  
13 and is subject to all the requirements and restrictions provided in the Maine Revised  
14 Statutes, Title 35-A, chapter 64, except as otherwise provided in this Act.

15 **Sec. 3. Power to take water.** The district is authorized to take, hold, divert, use  
16 and distribute water from any river, lake, pond, stream, brook, well, spring or other  
17 source of water, natural or artificial, within the Town of Canton.

18 **Sec. 4. Number of trustees.** The board of trustees of the district is composed of 3  
19 trustees. A trustee must be a resident of the district but need not reside in a household to  
20 which the district's service is provided.

21 **Sec. 5. Terms of trustees.** A trustee in office at the time of voter approval of this  
22 Act shall serve the remainder of that trustee's then-current term. A trustee must thereafter  
23 be elected to a 3-year term pursuant to the Maine Revised Statutes, Title 35-A, section  
24 6410, subsection 1.

25 **Sec. 6. Authorized to borrow money and to issue bonds and notes.**  
26 Notwithstanding the Maine Revised Statutes, Title 35-A, section 6413, the district, by  
27 vote of its board of trustees, without district vote except as provided, is authorized to  
28 borrow money temporarily and to issue its negotiable notes, and for the purposes of  
29 renewing and refunding the indebtedness so created, of paying necessary expenses and  
30 liabilities incurred under the provisions of this Act and of acquiring properties, paying  
31 damages, laying pipes, mains and conduits, purchasing, constructing, maintaining and  
32 operating a water system and making renewals, additions, extensions and improvements  
33 to such system and to cover interest payments during the period of construction, the  
34 district, by votes of its board of trustees, without district vote except as provided, is also  
35 authorized to issue, from time to time, bonds, notes or other evidences of indebtedness of  
36 the district in such amount or amounts, bearing interest at such rate or rates and having  
37 such terms and provisions as the trustees determine. In the case of a vote by the trustees  
38 to authorize bonds or notes to pay for the acquisition of property, for the cost of a water  
39 system or part of a water system, for renewals or additions or for other improvements in  
40 the nature of capital costs, the estimated cost of which singly or in the aggregate included  
41 in any one financing is \$30,000 or more, but not for renewing or refunding existing

1 indebtedness or to pay for maintenance, repairs or for current expenses, notice of the  
2 proposed debt and of the general purpose or purposes for which it was authorized must be  
3 given by the clerk by publication at least once in a newspaper or newsletter having a  
4 general circulation in the Town of Canton and mailed to district voters and customers via  
5 postcard or bill insert. No debt may be incurred under such vote of the trustees until the  
6 expiration of 14 calendar days following the date on which such notice was first  
7 published and mailed. Prior to the expiration of that period, the trustees may call a special  
8 district meeting for the purpose of permitting the voters of the district to express approval  
9 or disapproval of the amount of debt so authorized, and the trustees shall call a special  
10 district meeting if, within 14 calendar days following the publication and mailing of the  
11 notice, there has been filed with the clerk of the district a petition or petitions signed by  
12 not less than 50 qualified voters of the district requesting that such a special district  
13 meeting be called. If at the district meeting a majority of voters present and voting  
14 thereon expresses disapproval of the amount of debt authorized by the trustees, the debt  
15 may not be incurred and the vote of the trustees authorizing the same is void and of no  
16 effect.

17 The bonds, notes and evidences of indebtedness may be issued to mature serially in  
18 annual installments of not less than 1% of the face amount of the issue and beginning not  
19 later than 2 years from the date of issue, or made to run for such periods as the trustees  
20 may determine, but no issue of bonds, notes or evidences of indebtedness may run for a  
21 longer period than 40 years from the date of original issue. Bonds, notes or evidences of  
22 indebtedness may be issued with or without provision for calling the same prior to  
23 maturity and if callable may be made callable at par or at a premium as the trustees may  
24 determine. All bonds, notes or other evidences of indebtedness must have inscribed upon  
25 their face the words "Canton Water District," must be signed by the treasurer and  
26 countersigned by the chair of the board of trustees of the district and, if coupon bonds are  
27 issued, the interest coupons attached to the coupon bonds must bear the facsimile of the  
28 signature of the treasurer. All bonds, notes and evidences of indebtedness so issued by the  
29 district are legal obligations of the district, which is hereby declared to be a quasi-  
30 municipal corporation within the meaning of Title 30-A, chapter 120. The district may,  
31 from time to time, issue its bonds, notes and other evidences of indebtedness for the  
32 purpose of paying, redeeming or refunding outstanding bonds, notes or evidences of  
33 indebtedness, and each authorized issue constitutes a separate loan. All bonds, notes and  
34 evidences of indebtedness issued by the district are legal investments for savings banks in  
35 the State of Maine and are tax-exempt. The district is authorized and empowered to enter  
36 into agreements with the State or Federal Government, or any agency of either, or any  
37 corporation, commission or board authorized by the State or Federal Government to grant  
38 or loan money to or otherwise assist in the financing of projects such as the district is  
39 authorized to carry out, and to accept grants and borrow money from any such  
40 government agency, corporation, commission or board as may be necessary or desirable  
41 to enforce the provisions of this Act. All notes and bonds with the maturity of more than  
42 one year must be first approved by the Public Utilities Commission pursuant to Title 35-  
43 A, section 902.

44 **Sec. 7. Referendum; effective date.** This Act takes effect 90 days after  
45 adjournment of the Legislature only for the purpose of permitting its submission to the  
46 legal voters within the territory described in section 1 at an election called for that

1 purpose and held on or before December 1, 2021. Pursuant to the Maine Revised  
2 Statutes, Title 30-A, section 2528, the election must be called, advertised and conducted  
3 according to the law relating to municipal elections, except that the registrar of voters is  
4 not required to prepare or the clerk to post a new list of voters. For the purpose of  
5 registration of voters, the registrar of voters must be in session the secular day preceding  
6 the election. The subject matter of this Act is reduced to the following question:

7 "Shall An Act To Repeal and Replace the Canton Water District Charter,  
8 passed by the 129th Legislature, be accepted?"

9 The voters shall indicate by a cross or check mark placed against the word "Yes" or  
10 "No" their opinion of the same.

11 The results must be declared by the municipal officers of the Town of Canton and  
12 due certificate of the results filed by the clerk with the Secretary of State.

13 This Act takes effect for all other purposes immediately upon its approval by a  
14 majority of the legal voters voting at the election. Failure to achieve the necessary  
15 approval in any referendum does not prohibit subsequent referenda consistent with this  
16 section, as long as the referenda are held on or before December 1, 2021.

## 17 **SUMMARY**

18 This bill repeals and replaces the charter of the Canton Water District to update and  
19 modernize the district's charter and to clarify that, going forward, the district is to be  
20 considered a standard district as that term is defined in the Standard Water District  
21 Enabling Act.