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H.P. 887

House of Representatives, April 9, 2015

An Act To Create the Central Maine Water District

Reference to the Committee on Energy, Utilities and Technology suggested and ordered printed.

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative WARREN of Hallowell. Cosponsored by Senator McCORMICK of Kennebec and Representative: GRANT of Gardiner.

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

- **Sec. 1. Territorial limits; corporate name.** Pursuant to the Maine Revised Statutes, Title 35-A, chapter 64, all the territory and the inhabitants of the Town of Chelsea, the Town of Farmingdale, the Town of Pittston and the Town of Randolph and the City of Hallowell and the City of Gardiner constitute a standard water district under the name "Central Maine Water District," referred to in this Act as "the district."
- **Sec. 2. Powers; authority; duties.** The district has all the powers and authority and is subject to all the requirements and restrictions provided in the Maine Revised Statutes, Title 35-A, chapter 64 except as otherwise provided in this Act.

In addition, the district is authorized to:

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- 1. Take and hold sufficient water of the Cobbosseecontee Stream and may take and hold by purchase or otherwise any land or real estate necessary for erecting dams, power, and reservoirs, or for preserving the purity of the water and watershed, and for laying and maintaining aqueducts for taking, discharging and disposing of water;
- 2. Take, hold and convey into, about and through the City of Hallowell from any point in Cobbosseecontee Stream that may be considered expedient, between the dam at the outlet of Cobbosseecontee Lake and dam number 8 on said stream, water sufficient for the use of said city and the inhabitants thereof for domestic and municipal purposes; may flow, take and hold, by purchase or otherwise, subject to the limitations of Private and Special Law 1895, chapter 280, any lands or real estate for laying and maintaining pipes for conducting, discharging, disposing of and distributing water, and for constructing and maintaining reservoirs, standpipes, dams and such other works as may be considered necessary or proper for raising, forcing, retaining, distributing, discharging or disposing of said water, and for the erection of any works for such purposes; may purchase or take and hold and forever maintain any dam or privilege on said stream between said outlet dam and said dam number 8, subject to the limitations of said chapter 280; may lay and maintain pipes from said stream at said point to, into, through and about said city and secure and maintain the same by any suitable works therefor; may make and establish such public fountains and hydrants in such places as may from time to time be considered proper; and may, for the purposes aforesaid, carry and conduct and maintain any pipes or other works by it to be made, laid down or conducted over, under, through or across any water course, stream, bridge, railroad, street railroad, highway or other way in such manner as not to obstruct the travel or full beneficial use thereof; and may enter upon and dig up any such road, street or way for the purpose of laying down pipes beneath the surface thereof and for maintaining and repairing the same;
- 3. Take, hold and convey into, about and through the City of Hallowell from Vaughan Brook and its tributaries, from the Kennebec River, from natural springs and from such artesian wells as it may construct or develop; and within the limits of the rights above granted flow, take and hold, by purchase or otherwise, any lands and land or water rights in said city for laying and maintaining pipes for conducting, discharging, disposing of and distributing water, and for constructing and maintaining reservoirs, standpipes, dams and such other works as may be considered necessary or proper for raising, forcing,

retaining, distributing, discharging or disposing of said water, and for the erection of any works for such purposes; may lay and maintain pipes from any or all of its sources of supply to, into, through and about said city; may, for the purposes aforesaid, carry, conduct and maintain any pipes or other works by it to be made, laid down or conducted over, under, through or across any water course, stream, bridge, highway or other way in such manner as not to obstruct the travel thereof; may enter upon and dig up any such road, street or way for the purpose of laying down pipes beneath the surface thereof and for maintaining and repairing the same; and may purchase or take and hold and forever maintain any dam or privilege on said stream;

- 4. Divert and use water from Jamie's Pond and Hutchinson Pond, situate in the Town of Farmingdale and Town of Manchester and increase the storage of said ponds and take and hold, as for public uses, by purchase, eminent domain or otherwise, any land or interest therein for water rights necessary for erecting and maintaining dams, for flowage, for power for pumping its water supply through its mains, for reservoirs, for preserving the purity of the water and the watershed, for laying and maintaining aqueducts and other structures, for taking, distributing, discharging and disposing of water and for rights-of-way or roadways to its source of supply, its dams, power stations, reservoirs, mains, aqueducts, structures and lands;
- 5. Through its trustees, purchase or obtain a supply of pure water, when necessary, from any other water district, water company or source of supply and sell water to any such district or company; and
- 6. Supply water to that area of the City of Augusta lying on the west side of the easterly right-of-way line of Interstate 95 or the Maine Turnpike Authority; and southerly of an extension in a straight line of the City of Hallowell's northerly city line where it intersects the right-of-way of the Whitten Road, north of the former toll gate.
- **Sec. 3. Number of trustees.** The board of trustees of the district is composed of 5 trustees: one from the Town of Farmingdale, 2 from the City of Gardiner, one from the City of Hallowell and one from the Town of Randolph, who must be residents of the district and persons whose residence or business uses water service from the district.
- Sec. 4. First board, subsequent trustees, eligibility requirements, vacancy. The following provisions apply to the first board of trustees, subsequent trustees, eligibility requirements and vacancies in the office of trustee.
- 1. Notwithstanding the Maine Revised Statutes, Title 35-A, section 6410, subsection 4, the first board of trustees of the district is appointed pursuant to this subsection. Within 30 days after the approval of this Act by the voters:
 - A. The municipal officers of the Town of Farmingdale shall appoint one trustee for a term that expires on January 1st of the year that is 2 years after the year in which the trustee was appointed. Subsequent trustees must be appointed in accordance with Title 35-A, section 6410, subsection 2 by the municipal officers of the Town of Farmingdale to 3-year terms in accordance with section 5:

B. The municipal officers of the City of Gardiner shall appoint 2 trustees: one for a term that expires on January 1st of the year that is one year after the year in which the trustee was appointed and one for a term that expires on January 1st of the year that is 3 years after the year in which the trustee was appointed. Subsequent trustees must be appointed in accordance with Title 35-A, section 6410, subsection 2 by the municipal officers of the City of Gardiner to 3-year terms in accordance with section 5;

- C. The Mayor of the City of Hallowell, with confirmation by the City Council of the City of Hallowell, shall appoint one trustee to serve an initial term that expires on January 1st of the year that is one year after the year in which the trustee was appointed. Subsequent trustees must be appointed in accordance with Title 35-A, section 6410, subsection 2 by the Mayor of the City of Hallowell and confirmed by the City Council of the City of Hallowell to 3-year terms in accordance with section 5; and
- D. The municipal officers of the Town of Randolph shall appoint one trustee for a term that expires on January 1st of the year that is 2 years after the year in which the trustee was appointed. Subsequent trustees must be appointed in accordance with Title 35-A, section 6410, subsection 2 by the municipal officers of the Town of Randolph to 3-year terms in accordance with section 5.
- 2. Notwithstanding the Maine Revised Statutes, Title 35-A, section 6419, subsection 3, when a trustee ceases to be a resident of the municipality in which the trustee resided when appointed or no longer is a residential or business water service user of the district, that trustee shall vacate the office of trustee. A vacancy in the office of trustee must be filled for the unexpired term by appointment by the appropriate municipality in the same manner that subsequent trustees are appointed under this section. All trustees are eligible for reappointment, but a person who is a municipal officer, as defined in Title 30-A, section 2001, subsection 10, of any municipality located in whole or in part within the district is not eligible for appointment as a trustee.
 - **Sec. 5. Terms of trustees.** Except for the first board, trustees serve 3-year terms.
- Sec. 6. Transfer of assets and liabilities of the Hallowell Water District and the Gardiner Water District. This section governs the transfer of assets and liabilities of the Hallowell Water District and the Gardiner Water District.
 - 1. On January 1st of the year following approval of this Act by the voters:
 - A. Title to all personal property, real property, assets, benefits and liabilities of the Hallowell Water District and the Gardiner Water District, including, without limitation, all lands, waters, water rights, buildings and improvements, springs, wells, reservoirs, tanks, standpipes, mains, pumps, pipes, machinery, fixtures, hydrants, meters, services, tools, equipment, apparatus and appliances used or useful in supplying water for domestic, commercial, industrial and municipal purposes, appurtenant easements and other rights appurtenant to the real property and all easements in gross and all other interests of the Hallowell Water District and the Gardiner Water District, passes to and vests in the district, and the district shall assume, maintain and operate all personal property, real property, assets, benefits and liabilities of the Hallowell Water District and the Gardiner Water District; and

B. The district shall assume all obligations of the Hallowell Water District and the Gardiner Water District, including, but not limited to, those obligations under bonds issued to the Maine Municipal Bond Bank by the Hallowell Water District and by the Gardiner Water District, and all other of the outstanding debts, obligations and liabilities and any outstanding bonds, notes or other evidences of indebtedness of the Hallowell Water District and the Gardiner Water District.

- The Hallowell Water District, a quasi-municipal corporation organized and existing pursuant to Private and Special Law 1921, chapter 75, as amended, and the Gardiner Water District, a quasi-municipal corporation organized and existing pursuant to Private and Special Law 1903, chapter 82, as amended, shall continue to operate with the trustees in office at the time of approval of this Act by the voters for the purpose of concluding the affairs of the Hallowell Water District and the Gardiner Water District, and, when these are concluded, each shall cause to be filed with the Secretary of State a certificate of dissolution certifying the name of that district and that all assets of that district and all debts, obligations and liabilities of that district have been transferred to the Central Maine Water District by operation of this Act and that is signed by the chair or presiding trustee of that district and by the clerk, secretary or another officer of that district. Upon the respective filing dates of the certificates of dissolution of the Hallowell Water District and the Gardiner Water District, the existence of those districts ceases. The Central Maine Water District shall pay the reasonable costs and expenses incurred by the Hallowell Water District and the Gardiner Water District as they conclude their affairs as provided in this subsection.
- 3. The board of trustees of the district shall submit legislation for introduction to the next regular session of the Legislature after the 2nd certificate has been filed with the Secretary of State pursuant to subsection 2 to repeal the charters of the Hallowell Water District and the Gardiner Water District.
- **Sec. 7. Debt limit.** Notwithstanding the Maine Revised Statutes, Title 35-A, section 6413, the debt limit on the total amount of all bonds, notes and other evidences of indebtedness payable within a period of more than 12 months issued by the district is \$20,000,000. This debt limit may be amended by the legal voters in each municipality in the territory described in section 1 in which 25% or more of the households in that municipality are customers of the district at a referendum election called for that purpose pursuant to Title 35-A, section 6413.
- **Sec. 8.** Water Street, Hallowell project. The district shall construct the Water Street, Hallowell water main replacement project if the Department of Transportation commences its proposed reconstruction of Water Street in Hallowell before the year 2026.
- **Sec. 9. Damage to district property.** A person who places, discharges or leaves any offensive or injurious matter or material on or in the conduits, catch basins or receptacles of the district contrary to its regulations or knowingly injures any conduit, pipe, reservoir, flush tank, catch basin, manhole, outlet, engine, pump or other property held, owned or used by the district is liable to pay twice the amount of the damage to the district, to be recovered in any proper action, and that person is guilty of a Class E crime.

Sec. 10. Referendum; effective date. This Act takes effect when approved only for the purpose of permitting its submission to the legal voters in each municipality in the territory described in section 1 in which 25% or more of the households in that municipality are customers of the Hallowell Water District or the Gardiner Water District, as applicable, at an election called for that purpose and held after June 1, 2015 but within 2 years after the effective date of this Act. Each election must be called by the municipal officers of those municipalities and must be held at the regular voting places. Even if each municipality has not accepted the secret ballot method of voting, the election must be called, advertised and conducted according to the law relating to municipal elections, including the Maine Revised Statutes, Title 30-A, section 2528. The registrars shall make a complete list of all the eligible voters of the proposed district as described in this Act. For the purpose of the registration of voters, the registrar of voters must be in session the secular day preceding the election. The subject matter of this Act must be reduced to the following question:

"Do you favor creating the Central Maine Water District and permitting the Central Maine Water District to acquire the assets and assume the liabilities of the Hallowell Water District and the Gardiner Water District?"

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 each municipality and due certificate of the results filed by each municipal 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 of each municipality voting at the election. Failure to achieve the necessary approval in any referendum does not prohibit subsequent referenda consistent with this section, so long as the referenda are held within 2 years after the effective date of this Act.

28 SUMMARY

This bill consolidates the Gardiner Water District, a quasi-municipal corporation organized and existing pursuant to Private and Special Law 1903, chapter 82, as amended, and the Hallowell Water District, a quasi-municipal corporation organized and existing pursuant to Private and Special Law 1921, chapter 75, as amended, to create the Central Maine Water District. The Central Maine Water District includes within its service territory the towns of Chelsea, Farmingdale, Pittston and Randolph and the cities of Hallowell and Gardiner. The district is a standard water district with all of the powers in the Maine Revised Statutes, Title 35-A, chapter 64 except as otherwise provided in this bill; the additional powers are those provided by the Legislature to each current district in their Private and Special Law charters and amendments.

Consolidation is contingent upon its approval by a referendum vote in each of the service territory municipalities in which 25% or more of the households in that municipality are customers of the Hallowell Water District or the Gardiner Water District, as applicable. The municipalities in which 25% or more of the households in

- that municipality are customers of the district currently are the cities of Hallowell and Gardiner and the towns of Farmingdale and Randolph. 1
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