

127th MAINE LEGISLATURE

FIRST REGULAR SESSION-2015

Legislative Document

No. 1075

S.P. 378

In Senate, March 24, 2015

An Act To Amend the Charter of the Canton Water District

(AFTER DEADLINE)

Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 205.

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

HEATHER J.R. PRIEST Secretary of the Senate

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Presented by Senator PATRICK of Oxford. Cosponsored by Representative PETERSON of Rumford.

1	Be it enacted by the People of the State of Maine as follows:
2 3	Sec. 1. P&SL 1957, c. 44, §2, as amended by P&SL 1989, c. 52, §2, is further amended to read:
4 5 6 7	Sec. 2. Source of supply. The district, for the purposes of its incorporation, is authorized to take, hold, divert, use and distribute water from any river, lake, pond, stream, brook, well, spring or other source of water, natural or artificial, within the Town of Canton or to contract to do any or all of the foregoing things.
8 9	Sec. 2. P&SL 1957, c. 44, $\S6$, 2nd \P , first sentence, as repealed and replaced by P&SL 1989, c. 52, $\S5$, is amended to read:
10 11 12 13	At each annual meeting of the district At an annual meeting to be called at the discretion of the trustees, one trustee shall must be elected by the district by ballot as provided in this Act to serve until the annual meeting of the district occurring 3 years thereafter and until a successor is elected and qualified.
14 15	Sec. 3. P&SL 1957, c. 44, §6, 4th ¶, last sentence, as repealed and replaced by P&SL 1989, c. 52, §5, is repealed and the following enacted in its place:
16 17 18 19 20 21 22 23	The trustees receive compensation as recommended by the trustees and approved by majority vote of the municipal officers of the Town of Canton, including compensation for any duties they perform as officers as well as for their duties as trustees. Certification of the vote must be recorded with the Secretary of State and recorded in the bylaws. Compensation for duties as trustees must be based on an amount specified in the bylaws for each meeting actually attended plus reimbursement for travel and expenses, with the total not to exceed an amount specified in the bylaws. Compensation schedules in effect on January 1, 2014 continue in effect until changed.
24 25	Sec. 4. P&SL 1957, c. 44, $\S6$, last \P , last sentence, as repealed and replaced by P&SL 1989, c. 52, $\S5$, is amended to read:
26 27	They shall make and publish an annual report, including a report of the treasurer, and that report may be included in, and published as part of, the town report.
28 29	Sec. 5. P&SL 1957, c. 44, $\S14$, first \P , last sentence, as amended by P&SL 1989, c. 52, $\S9$, is further amended to read:
30 31	Five percent \underline{A} majority of the persons qualified to vote in such meetings shall constitute a quorum.
32 33	Sec. 6. P&SL 1957, c. 44, $\S14$, last \P , as amended by P&SL 1989, c. 52, $\S10$, is further amended to read:
34 35	All persons <u>customers residing</u> in the district and qualified to vote for Governor under the laws of this State shall be <u>are</u> entitled to vote in any meeting of the district.

Sec. 7. P&SL 1957, c. 44, §§17 to 19 are enacted to read:

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Sec. 17. Readiness-to-serve charges. The district shall assess readiness-to-serve
charges against properties abutting on or accessible to the water lines of the district that
on or after January 1, 2016 become improved with new residential or commercial
structures requiring systems for the disposal of sewage and wastewater but that do not
connect to the district's water lines. The district shall assess readiness-to-serve charges at
the district's minimum rate under the district's rate schedule.
Sec. 18. Mutual funds. The district may invest its funds, including sinking funds,
reserve funds and trust funds, to the extent that the terms of any instrument creating the
funds do not prohibit the investment, in shares of an investment company registered
under the federal Investment Company Act of 1940 whose shares are registered under the
United States Securities Act of 1933, only if the investments of the investment company
are limited to obligations of the United States or any agency or instrumentality, corporate
or otherwise, of the United States, or repurchase agreements secured by obligations of the
United States or any agency or instrumentality, corporate or otherwise, of the United
States. This section is in addition to and does not limit the power of the district to invest
its funds.
Sec. 19. Liens for unpaid rates; multi-unit residential rental property.
The district has a lien on real estate served by the district to secure the payment of unpaid
rates.
Notwithstanding the Maine Revised Statutes, Title 35-A, section 706, when a
landlord has applied for and is granted water utility service to a multi-unit residential
rental property, the district has a lien on the property and on any interest the landlord has
in the multi-unit residential rental property to secure payment for the district's service to
that property with costs and with interest at a rate not to exceed the highest lawful rate set
by the Treasurer of State for municipal taxes.
The method for obtaining, enforcing and receiving payment on a lien created under
this section must be performed in the same manner and has the same effect and creates
the same rights as provided in the Maine Revised Statutes, Title 38, section 1208
pertaining to the collection of unpaid rates by a sanitary district, except that a sanitary
district lien created under Title 38, section 1208 continues with priority over a lien
created under this section. The notice of impending automatic foreclosure must be
substantially in the following form:
STATE OF MAINE
<u>CANTON WATER DISTRICT</u>
NOTICE OF IMPENDING AUTOMATIC FORECLOSURE
WATER LIEN
Title 35-A M.R.S.A., section 6111-A
IMPORTANT: DO NOT DISREGARD THIS NOTICE.

1	YOU WILL LOSE YOUR PROPERTY UNLESS
2	YOU PAY THE CHARGES, COSTS AND INTEREST FOR WHICH
3	A LIEN ON YOUR PROPERTY HAS BEEN CREATED BY THE
4	CANTON WATER DISTRICT.
5	
6	TO:
Ü	<u>10</u>
7 8 9 10	You are the party named on the Water Lien Certificate filed on
11 12 13	On
14	IF THE LIEN FORECLOSES,
15	THE CANTON WATER DISTRICT WILL OWN
16	YOUR PROPERTY, SUBJECT ONLY TO
17	SANITARY DISTRICT AND MUNICIPAL TAX LIENS.
18 19 20	If you cannot pay the outstanding charges, costs and interest that are the subject of this notice or the subject of installment payment arrangements that you have made with the Canton Water District, please contact me immediately to discuss this notice.
21	<u></u>
22	Canton Water District Treasurer
23 24 25 26 27 28 29	The treasurer of the district, when authorized by the trustees, may waive the foreclosure of a lien mortgage created pursuant to this section by recording in the registry of deeds a waiver of foreclosure before the period for the right of redemption from the lien mortgage has expired. The lien mortgage remains in full effect after the recording of a waiver. Other methods established by law for the collection of any unpaid rate, toll, rent or other charges are not affected by the filing of a waiver under this section. The waiver of foreclosure must be substantially in the following form:
30	The foreclosure of the water lien mortgage on real estate for charges against
31 32	(NAME) to Canton Water District dated and recorded in the Oxford County Registry of Deeds in Book, Page is hereby waived.

The form must be dated, signed by the treasurer of the district and notarized. A copy of the form must be provided to the party named on the lien mortgage and each record holder of a mortgage on the real estate.

4 SUMMARY

This bill amends the Canton Water District charter. It adds language allowing the district to contract out work, changes provisions governing the scheduling of the annual meeting of the board of trustees in order to increase flexibility and changes the provisions regarding compensation of trustees to have the trustees recommend and the municipal officers of the Town of Canton approve compensation amounts. It removes language allowing the trustees to include their annual report in the town report. It changes a quorum at annual and special meetings of the board of trustees from 5% to a majority of those present and narrows voting at those meetings from residents of the district to customers residing in the district. It also establishes readiness-to-serve charges, allows the district to invest in mutual funds and establishes liens for unpaid rates.