# MAINE STATE LEGISLATURE

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## 124th MAINE LEGISLATURE

## SECOND REGULAR SESSION-2010

Legislative Document

No. 1783

S.P. 690

In Senate, February 17, 2010

An Act To Amend the Charter of the Kennebec Water District

(AFTER DEADLINE)

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

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

JOY J. O'BRIEN Secretary of the Senate

Presented by Senator MARRACHÉ of Kennebec. Cosponsored by Representative BECK of Waterville and Representative: TRINWARD of Waterville.

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

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- Sec. 1. P&SL 1899, c. 200, §1, as repealed and replaced by P&SL 1965, c. 54, is amended to read:
- **Sec. 1. Incorporation.** The territory and people within the City of Waterville, and the Towns Town of Winslow and the Town of Fairfield, shall constitute a body politic and corporate under the name of the Kennebec Water District for the purpose of supplying the inhabitants of said the district and of the Towns Town of Benton and the Town of Vassalboro and all said the municipalities with pure water for domestic and all other lawful purposes. The records of the Kennebec Water District are public and meetings of the trustees shall be open.

### Sec. 2. P&SL 1899, c. 200, §2 is amended to read:

Sec. 2. Take water. Said The district is hereby authorized for the purposes aforesaid, of this Act to take and hold sufficient water of any source located within the territory of the district and of the Kennebec River, the Messalonskee stream Stream or its tributary lakes, or the Sebasticook river River or its tributary lakes, including China Lake, and may take and hold by purchase or otherwise, any land or real estate necessary for erecting dams, power, or reservoirs or for preserving purity of the water and water shed watershed, and for laying and maintaining aqueducts for conducting, discharging, distributing and disposing of water.

The district is authorized and empowered to exercise the right of eminent domain and to acquire and hold either by purchase or exercise of its right of eminent domain any land, real estate, easements or interests in any land, real estate or easements or water rights or interest in water rights for all the purposes of the district's incorporation.

When the district takes land or easements on land for its use, the district may mark the lines and boundaries of the land or easements by suitable monuments.

Proceedings for condemnation by the district must be commenced by filing in the office of the county commissioners of the county where the property is situated a certificate of taking accompanied by plans and descriptions of the property together with the names of the party or parties that own the property and then proceedings must be held for the appraisal of damages as in the case of laying out highways by the county commissioners.

Any appeal from the district's decision to exercise its right of eminent domain must be filed with the appropriate body within 30 days of the date of the district's written decision.

- Sec. 3. P&SL 1899, c. 200, §5, as repealed and replaced by P&SL 1995, c. 40, §1 and affected by §4, is amended to read:
- **Sec. 5. Trustees; how elected.** All of the affairs of the district are managed by a board of trustees composed of 10 members, 4 of whom are elected by a plurality of voters of the City of Waterville, 2 of whom are elected by a plurality of voters of the Town of

Winslow, 2 of whom are elected by a plurality of voters of the Town of Fairfield, one of whom is elected by a plurality of voters of the Town of Benton and one of whom is elected by a plurality of voters of the Town of Vassalboro. Trustees must be residents of the towns in which they are elected. Nominations and elections must be conducted in accordance with the Maine Revised Statutes, Title 35-A, chapter 63 64, except as specifically provided in subsection 3 of this section.

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1. Organization; conduct of business. As soon as convenient after the election of trustees, the trustees shall hold a meeting in the city rooms in the City of Waterville and organize by the election of a president and clerk, adopt a corporate seal and, when necessary, may choose a treasurer and all other necessary officers and agents for the proper conduct and management of the affairs of the district.

All decisions of the board of trustees must be by a majority of those present and voting. A quorum of the board of trustees is 7 trustees.

Trustees are entitled to compensation in accordance with Title 35-A, chapter 63. Notwithstanding the Maine Revised Statutes, Title 35-A, section 6410, subsection 7, the trustees are entitled to compensation as established by a majority vote of the trustees, as long as the district first gives each municipality served by the district written notice of any proposed change in compensation and an opportunity to comment on the proposed change.

- 2. Bylaws. The trustees may adopt and establish such bylaws as are necessary for the proper management of the affairs of the district.
- 3. Election; vacancy. Whenever the term of office of a trustee expires, the trustee's successor must be elected as provided in this section. For the purpose of election, a special election must be called and held between October 1st and November 30th prior to the expiration of the trustee's term, the election to be called by the municipal officers of the appropriate city or town. The term of the trustee so elected begins on the first Wednesday of January following the election. The trustee so elected shall serve the full term of 3 years.

If any vacancy arises in the membership of the board of trustees, it must be filled by appointment for the unexpired term by the municipal officers of the town from which the trustee was elected.

All elections held pursuant to this section must be paid for by the district. When any trustee ceases to be a resident of the town or city from which the trustee was elected, the trustee shall vacate the office of trustee and the vacancy must be filled as provided in this section. All trustees are eligible for reelection, except that a person who is serving as a municipal officer in Waterville, Winslow, Fairfield, Benton or Vassalboro is not eligible for nomination or election as trustee and no trustee may serve more than 2 consecutive terms.

- Sec. 4. P&SL 1899, c. 200, §6 is repealed.
- Sec. 5. P&SL 1899, c. 200, §7 is repealed.

Sec. 6. P&SL 1899, c. 200, §8 is repealed. Sec. 7. P&SL 1899, c. 200, §9 is repealed. 2 Sec. 8. P&SL 1899, c. 200, §10, as amended by P&SL 1905, c. 152, §§3 and 9, is 3 4 further amended to read: Sec. 10. Issue bonds. The trustees of the district may, for the purpose of paying 5 any necessary expenses and liabilities incurred under the provisions of this act Act 6 7 including the expenses incurred in acquiring the property of the Maine Water Company -8 by purchase or otherwise, in securing sources of supply, taking water and land, paying 9 damages, laying pipes, constructing, maintaining and operating a water plant, and making 10 renewals, extensions, additions and improvements to the same, issue from time to time bonds or notes of the district to an amount necessary in the judgment of the trustees 11 12 therefore. Said The bonds shall be a or notes are legal obligation obligations of said the 13 water district, which is hereby declared to be a quasi-municipal corporation within the 14 meaning of section ninety six, chapter forty seven of the revised statutes, and all the 15 provisions of said section shall be applicable thereto. 16 The district is authorized to fund and refund indebtedness by the issuance of bonds or 17 notes to mature serially, at such times and in such amounts as the trustees determine. The 18 annual installments of each issue may not be less than 2 1/2% of the principal amount of 19 the issue, and the first of such installments is payable not later than 3 years from the date 20 of such bonds or notes and the last of which is payable not later than 40 years from that 21 date. 22 The district is authorized to refund its indebtedness from time to time in whole or in 23 part as the trustees determine to be in the best interest of the district and to borrow money 24 temporarily for any of the legitimate purposes of the district. 25 Sec. 9. P&SL 1899, c. 200, §11, as amended by P&SL 1981, c. 41, §2, is further 26 amended to read: 27 Sec. 11. Rates. All individuals, firms and corporations or other entities, whether 28 private, public or municipal, shall pay to the treasurer of said the district the rates 29 established by said the board of trustees for all water used by them, and said the rates 30 shall must be uniform in their application within the district. Said The rates shall be so 31 are established as to provide revenue for the following purposes: 32 1 1. To pay the current running expenses for operating and maintaining the water 33 system and provide for such extensions and renewals as may become necessary. 34 H 2. To provide for payment of principal and interest on the indebtedness of the 35 district.

HH 3. To provide each year a sum necessary to amortize over the life of the bonds or

notes of the district the current portion of the bonded indebtedness of the district, but

equal to not less than one per cent of the entire indebtedness of the district, which sum

shall must be turned into a sinking fund to provide for final extinguishment of the funded

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1 2 3 4 5	debt or applied to the payment of serial bonds coming due in that year. The money set aside for the sinking fund shall <u>must</u> be devoted to retirement of the district's obligations or invested in such securities as savings banks are allowed to hold, or deposited at interest in savings banks, commercial banks and savings and loan associations, provided <u>as long</u> as and to the extent that such deposits are insured by any provisions of federal law.
6 7	$\frac{1}{4}$ . If any surplus remains at the end of the year, it the surplus may be transferred to the sinking fund.
8	Sec. 10. P&SL 1899, c. 200, §12, as amended by P&SL 1911, c. 75, is repealed.
9	Sec. 11. P&SL 1899, c. 200, §14, first ¶is repealed.
10	Sec. 12. P&SL 1905, c. 152, §4 is repealed.
11	Sec. 13. P&SL 1905, c. 152, §5 is repealed.
12	Sec. 14. P&SL 1905, c. 152, §6 is repealed.
13	Sec. 15. P&SL 1905, c. 152, §7 is repealed.
14	Sec. 16. P&SL 1905, c. 152, §8 is repealed.
15	Sec. 17. P&SL 1927, c. 79, §2 is repealed.
16	Sec. 18. P&SL 1927, c. 79, §3 is repealed.
17	Sec. 19. P&SL 1981, c. 41, §4 is repealed.
18	SUMMARY
19	This bill amends the charter of the Kennebec Water District as follows.
20 21	1. It removes the language indicating that the records of the water district are public and that the meetings are open.
22 23	2. It defines how the trustees are to establish the amount of compensation that they are entitled to receive.
24 25 26	3. It incorporates into the charter language enacted in Private and Special Law 1905, chapter 152 regarding the authority of the district to refund its indebtedness, exercise the right of eminent domain, mark boundaries and commence proceedings for condemnation.
27 28 29	4. It removes archaic language that authorizes the water district to acquire the Maine Water Company because the Maine Water Company was purchased by the Kennebec Water District pursuant to Private and Special Law 1899, chapter 200, section 6.
30 31 32	5. It removes archaic language that conditions the effect of the initial charter on the approval by the City of Waterville and the Fairfield Village Corporation approved the charter at meetings held

for that purpose pursuant to Private and Special Law 1899, chapter 200, section 14, first paragraph.

This bill also repeals language contained in Private and Special Law 1927, chapter 79 that conditioned a change to the Kennebec Water District charter regarding the appointment and terms of trustees on the repeal of the charters of the Kendalls Mills Village Corporation and the Fairfield Village Corporation because the charters of the Kendalls Mills Village Corporation and the Fairfield Village Corporation were repealed by Private and Special Law 1927, chapter 12.