

INTERLOCAL AGREEMENT

FOR SHARING JOINT GENERAL AND ADMINISTRATIVE EXPENSES,
JOINT HIGHWAY DEPARTMENT EXPENSES AND THE APPROVAL PROCESS

MAPLETON - CASTLE HILL - CHAPMAN

ADOPTED AT TOWN MEETINGS ON MARCH 18, 2024, MARCH
19, 2024, AND MARCH 25, 2024

Attest:

A handwritten signature in cursive script, reading "Sandra L. Fournier", written over a horizontal line.

Sandra L. Fournier, Town Clerk

**INTERLOCAL AGREEMENT
FOR SHARING JOINT GENERAL AND ADMINISTRATIVE EXPENSES, JOINT
HIGHWAY DEPARTMENT EXPENSES AND THE APPROVAL PROCESS**

MAPLETON - CASTLE HILL - CHAPMAN

PART 1.

WHEREAS, the parties to this Interlocal Agreement, the Towns of Mapleton, Castle Hill and Chapman, have entered into this Agreement to be effective by the authority granted at Town Meetings held in Mapleton on March 18, 2024; Castle Hill on March 19, 2024; and Chapman on March 25, 2024; have so determined that it will be more efficient use of their powers and resources and to their mutual advantage to share general and administrative expenses, and the expenses of the Joint Highway Department; and

WHEREAS, the Towns to this Interlocal agreement are authorized to contract pursuant to the Maine Interlocal Cooperation Act, Title 30-A M.R.S.A. Sections 2201-2207; and

WHEREAS, all Agreements, excepting the Mapleton, Castle Hill, and Chapman Municipal Building Facility Corporation Agreement, between the Towns relating to the sharing of general and administrative expenses and joint highway expenses are, by the adoption hereof, mutually agreed by the Towns to be null and void, unenforceable and are by agreement of the Towns replaced by this Agreement.

WHEREAS, the Town of Mapleton, Castle Hill, and Chapman (The Towns) have the duty to provide adequate Municipal facilities for their respective communities, and;

NOW, THEREFORE, the Towns of Mapleton, Castle Hill and Chapman, for and in consideration of the mutual covenants, promises and agreements hereinafter stated and timely performance thereof do hereby consent, covenant, promise and agree as follows:

PART 2. PURPOSE

The purposes of this Agreement are:

1. To establish a cost sharing formula so that the Towns may equitable and fairly share in all joint general and administrative expenses, including but not limited to, General Government, Fire, Police, Recreation, Property Services, Public Safety, Community Services and, certain reserve accounts.
2. To establish the Joint Highway Department Agreement between the Towns, including, but not limited to, the cost sharing formula contained therein and all articles which created a Joint Highway Department to perform all highway functions on a priority basis to be determined by the Road Commissioner and the Town Manager with the approval of the Joint Board, as though all three Member Towns are one. Highway functions shall include, but not be limited to: road, bridge and culvert maintenance on all town ways, maintenance of parking places, storm drains, buildings, facilities and equipment, snowplowing, snow removal and winter sand preparation and duties except all road paving, construction, reconstruction (over 100 cubic yards of gravel) and culverts, which exception remains the province and responsibilities of the individual Towns.
3. To establish a Joint Budget Approval and Adoption Process.

This Interlocal Agreement shall be divided into six sections:

SECTION I	General and Administrative Joint Expense Cost Sharing Agreement
SECTION II	Administration
SECTION III	Joint Budget Approval and Adoption Process
SECTION IV	Remedies
SECTION V	Municipal Building Facility
SECTION VI	Miscellaneous Provisions

SECTION I

GENERAL AND ADMINISTRATIVE JOINT EXPENSE COST SHARING AGREEMENT

PART 1. DEFINITIONS

1.1 Joint General and Administrative Expenses are those expenses which are to be shared jointly and are expenses created by the general needs of the populations of all three Towns as opposed to expenses which are created by the special or singular needs of a certain Town.

1.2 COST SHARING FORMULA

For the purpose of this Agreement, the cost sharing formula shall be based on 70% population as set by the current U.S. Census and 30% current State Valuation with the resulting percent rounded to the nearest 10th and adopted annually. The annually adopted cost sharing formula is located on Attachment 1.

The cost sharing percentages shall be used to determine each Town's share of the following Joint Administrative Expenses and shall be reviewed, and amended annually and shown on the Annual Cost Sharing Appendixes attached hereto.

PART 2. JOINT EXPENSES TO BE SHARED excepting those items identified in the budgets of each Municipal Department as a Member Towns individual expense responsibility.

2.1 GENERAL GOVERNMENT

Recreation

Property Services

Public Safety

Community Services

Fire

2.2 INSURANCE AND BENEFITS

All insurances and benefits for all employees shall be charged to the applicable department and shall include: ICMA Deferred Compensation Match for all qualified personnel; Maine State Retirement Contribution for all qualified personnel; Hospital Medical Surgical Insurance for all qualified personnel; Workers Compensation for all qualified personnel; Unemployment Compensation for all qualified personnel; Income Protection for all qualified personnel; Social Security for all qualified personnel; Medicare for all qualified personnel; Firefighter's Liability for Firefighters.

2.3 BUILDING OPERATIONS

Expenses for building operations, heat, electricity, maintenance, insurance and other associated cost and expenses shall be calculated and charged to each department.

2.4 JOINT HIGHWAY

A. DEFINITIONS as used in this section:

- i. "Costs" shall mean all costs of operating the Joint Highway Department, including but not limited to all salaries, benefits, and training, in-kind contributions, materials, supplies, repairs, tools, shop equipment, legal or technical services, communications, transportation, rentals, and special contracts.
- ii. "Equipment" shall mean items of machinery including but not limited to trucks, tractors, trailers, back-hoes, loaders, bulldozers, graders, snowplows, asphalt pavers, sand spreaders and generators.
- iii. "Materials" shall mean matter used in the course of direct and indirect road maintenance work, including but not limited to, sand, gravel, salt and asphalt products

for patch and building materials. Excepting the following materials, including but not limited to: gravel, culverts, hot top, cold mix, chip seal, sand seal and special ground covers like plastic or fiber matting, used for individual town projects that include but are not limited to road construction, road surfacing, park construction, water diversion, ditch construction, and culvert replacement or installation. Such materials shall be charged to the Town Road Improvement Reserve Fund of the Town or Towns implementing such projects.

- iv. “Special Contract” shall mean any contract with a third party for the performance of a specified project including but not limited to road grading, snow plowing or equipment repair. Excepting that any contracts for service or equipment rental for the following individual Town projects including but not limited to road construction, bridge construction, road surfacing, park construction, water diversion, ditch construction and culvert replacement or installation. Such contract costs shall be charged to the Town Road Improvement Reserve Fund of the Town or Towns implementing such projects or the Jointly Funded contracts and service appropriation.
- v. “Supplies” shall mean items not considered equipment or materials including but not limited to office supplies, tools, fuel and parts.

B. APPORTIONMENT

- i. Costs of acquisitions, improvements and operations, and items incidental thereto, shall be paid for by fees collected from irregular users, grants, donations and appropriations. Appropriations shall be allocated between the Towns in accordance with the following:

- a. Appropriations: Total operating capital and other costs, to be raised by appropriation, will be apportioned between the Towns on the basis of the total “road miles” maintained within each community in a given year. “road miles” for each party will be determined by adding the total number of road miles maintained during the summer months to the total number of road miles maintained during the winter months and dividing that total by two. The appropriation of each party shall be the equivalent of that party’s “road miles” in relation to the combined total of road miles of the three (3) Towns. For purposes of this Interlocal Agreement, the calculation will be utilized and updated annually each fiscal year (see Attachment 2). Each party shall appropriate an amount equal to its respective percentage of the total budget adopted by the Joint Board; as set forth in Attachment 2.
- b. Subsequent appropriations: Prior to the end of each fiscal year, this apportionment procedure and ratio shall be reviewed by the Joint Board and the Town Manager and amended, if necessary to conform to changes in “road miles” of each of the Towns hereto.
- c. The manner in which appropriations are financed shall be at the sole discretion of the Towns.

C. HIGHWAY DEPARTMENT FINANCIAL PROCEDURES

- i. The Municipal Treasurer of Mapleton, Castle Hill and Chapman shall manage the finances of the Joint Highway Department in a manner consistent with the financial management of all other municipal departments.

- ii. Each party shall establish a separate highway equipment reserve account pursuant to 30-A, M.R.S.A 5801-5802 which shall be entitled “Highway Equipment Reserve Fund.” Funds from such account shall be expended only for the purpose of acquiring equipment, performing major highway equipment repairs, and shall not be expended for real property or improvements thereon, nor for operating costs incurred by the Joint Highway Department. The Towns shall annually appropriate to said accounts an amount not less than fifteen percent (15%) of such party’s appropriation for the Joint Highway Department operating budget for that year, excluding excessive investment reimbursement appropriations or credits.

D. HIGHWAY PROPERTY

- i. Title to any personal property acquired subsequent to the effective date of this Agreement shall be held by the Towns as tenants in common, with the interests therein determined according to each party’s actual contribution to the acquisition thereof. Such property shall be acquired only upon approval of the Joint Board.
- ii. Title to any real property acquired for Joint Highway Department purpose subsequent to the effective date of this Agreement shall be held by the Towns as tenants in common defeasible in favor of the remaining tenants upon withdrawal of a party from this Agreement. The interests therein shall be determined according to each party’s actual contributions to the acquisition thereof.
- iii. Upon termination of this Agreement, each party shall be reimbursed for equipment conveyed to the Joint Highway Department based on the percentage of the initial investment.

E. HIGHWAY MAINTENANCE; INSURANCE

The Joint Highway Department shall have the duty to maintain any property in its possession in accordance with reasonable standards of care, and to insure the same against hazards and in such amounts as deemed advisable in the exercise of good business judgment.

SECTION II ADMINISTRATION

PART 1. ADMINISTRATION

1.1 JOINT SELECT BOARD, ADMINISTRATOR

The municipal officers of the Towns shall convene as the Joint Select Board, hereinafter called “Joint Board,” to take such actions as are provided for in this Agreement. The Town Manager of Mapleton, Castle Hill and Chapman shall be the Administrator of the Joint Board.

1.2 MEETINGS

- A. The Chairs of the Joint Board shall be rotated annually between the Towns, beginning with Mapleton, then Castle Hill, then Chapman.
- B. Joint Board meetings may be called by the Chair or by the municipal officers of any of the Towns. Written notice shall be given at least seven (7) days prior to any Joint Board meeting.
- C. A quorum for a meeting shall consist of the majority of the Select Board from each Town.
- D. In the event that one of the Party Towns, or the Members or an individual member of a Party Towns’ Delegation to the Joint Board, by any action or inaction prevents a quorum

from being present for either the proper calling or order of any Joint Board meeting or the taking of any vote, or action or the conduct of any business by the Joint Board at said meeting then, the remaining two Party Towns may serve, in hand, written notice on any Member of the Select Board of the third Party Town, or if they are unable after reasonable attempts to accomplish said service, then on the Town Manager on said Select Board's behalf, that a special Joint Board meeting will be held, not less than 7 days nor more than twenty-one (21) days from the date said notice is delivered, at which special meeting the quorum requirements set out above for said special meeting only, shall be waived and a quorum for the purposes of calling said special meeting to order and taking any vote or action or the conduct of any business by the Joint Board shall be nine (9) Members, regardless of Member Town affiliation.

All voting requirements and standards outlined in Section II; Subsection 1.3 shall apply to said special meeting. Any business or action properly brought before the Joint Board at said special meeting may be acted upon by said Board. At the adjournment of said special meeting, the quorum requirements for Joint Board meetings shall revert to those in effect prior to said special meeting.

1.3 VOTING

Vote of Joint Board Members will not be given equal weights. Each of the 15 Joint Board Members shall have a weighted vote based on that Members pro-rata share of his or her town's share of 50% of the General and Administrative cost sharing percentage and 50% of the Highway Cost Sharing percent as set forth in Section III, Subsection 2.4 said weighted vote to be recalculated annually as set out above and is illustrated in Attachment 3. All actions of the Joint

Board shall be determined by vote of a majority of the total voting units, present at the time the meeting is called to order and at the time of any votes, which vote must have at least one affirmative vote from the Town of Mapleton (or the Town with the highest number of total voting units) and at least one affirmative vote from either the Town of Castle Hill or the Town of Chapman (or either one of the two towns with the lower number of total voting units), excepting on votes to approve the final draft of the Joint Budget, and votes on the proposed acquisition of single items of personal property in which the expenditure exceeds \$10,000.00 and votes to amend the Agreement, such votes shall require a two - thirds vote of a quorum and each such vote must have at least one affirmative vote from the Town of Mapleton (or the town with the highest number of total voting units) and at least one affirmative vote from either the Town of Castle Hill or the Town of Chapman (or either one of the two towns with the lower number of total voting units).

1.4 POWERS

The Joint Board and the Town Manager shall have all powers necessary and incidental to the performance of highway functions by the Joint Highway Department and administrative function of all other departments to include without limitation the following:

- A. The Town Manager shall appoint, supervise and dismiss all employees including the Road Commissioner, with the approval of the Joint Board.
- B. Joint Board shall approve the selection, by the Town Manager, of the Road Commissioner, hear appeals of dismissal and if appropriate, cause to be reinstated the Road Commissioner and other employees, fix the compensation and benefits of the Road Commissioner and other employees, and establish regulations for their governance, and negotiate special contracts on their behalf.

- C. All disbursements including Highway, Administrative Joint Expenses and individual expenses will be made from the checking account of the “TOWNS OF MAPLETON-CASTLE HILL- CHAPMAN”

PART 2. PROPERTY

2.1 DISPOSITION OF PROPERTY (HIGHWAY AND ADMINISTRATIVE)

- A. Personal property to be disposed of shall first be offered for sale to the Towns for its mutually agreed upon fair market value. If no party purchases such property within thirty (30) days of the offer, personal property shall be sold by that method which brings the highest price, whether that be private negotiation by the Town Manager, or by advertising for sale by bid or by public auction, subject to approval of the Joint Board. Proceeds shall be divided pro-rata in accordance with the Towns’ ownership share and transferred to the respective equipment reserve accounts.
- B. Upon the termination of this Agreement, or the withdrawal by one of the Towns, property as herein before and hereinafter set forth shall be disposed of, “as is where is with all faults and without any warranties” as follows:
 - i. Withdrawal of a Town

The withdrawing Town shall be provided the opportunity, by the non-withdrawing Towns, to purchase such property as the non-withdrawing Towns shall, in their discretion, determine will not be needed by the non-withdrawing Towns to continue their remaining highway department functions. Said property shall be offered for sale at its appraised fair market value or its mutually agreed upon market value, less the

value of the withdrawing party's interest. If said withdrawing party fails to purchase said property, the non-withdrawing Towns may either;

- 1) keep said property and pay the withdrawing party its share of the above said value as hereinafter set forth, or
- 2) offer said property for sale either by private negotiation by the administrator or by advertising for bid or by public auction subject to the approval of the non-withdrawal Towns. The proceeds of the said sale less any costs of sale shall be paid to the parties as aforesaid and as hereinafter set forth.

ii. Termination of the Agreement

Upon termination of this Agreement the property shall be offered for sale in a closed auction setting attended by the duly authorized representative(s) of the party town(s) with each item or group of items being sold to the highest bidder. Any property not disposed of by the aforementioned method shall be offered for public sale by any of the above-mentioned methods, the proceeds of said sales to be distributed to the Member Towns as hereinabove and hereinafter described.

- iii. All proceeds of sale or disposal of property on termination of this Interlocal Agreement shall be divided in accordance with the initial investment.
- iv. Upon withdrawal of a party the mutually agreed fair market value or appraised value of the withdrawing party by the non-withdrawing Towns within 120 days of the effective date of withdrawal.
- v. In the event property is purchased and sold or disposed of pursuant to this subsection, title to and possession of said property shall pass only upon the receipt by the selling

party(ies) of the purchase price and said purchase price shall be paid within 120 days of said termination or withdrawal. Should said purchasing party(ies) fail to make said payment within said 120 days, the selling party(ies) shall be free to dispose of said property in any other manner as set forth above. Time is agreed to be of the essence to the terms of this section.

- vi. Since a termination of this Agreement, if initiated by the Towns, must be effective as of the end of a fiscal year, all operating expenses shall be paid in full for that year; any funds remaining in any Reserve Accounts shall be retained by each party.
- vii. Any other equipment such as office equipment including but not limited to computers, filing cabinets, and furniture shall be deemed to be owned jointly by the towns, with their financial interest determined by the General and Administrative Cost Sharing percents. In the event of withdrawal by any Members or dissolution of the Interlocal Agreement, the surviving Town or Towns shall refund the withdrawal Town(s) share of original cost less depreciation.

PART 3. PERSONNEL

3.1 EMPLOYING MUNICIPALITY

The municipalities of Mapleton, Castle Hill and Chapman shall be the employer of all employees for purposes of payroll, withholding taxes, and health or retirement benefits and related functions. The employing municipalities shall be solely liable to any such employees for any liability for compensation or indemnity or injury or sickness arising out of or in the course of their employment, provided the other Towns agree to indemnify the employing municipality for

their proportional share of any such liability in excess of the limits of the Worker's Compensation or other insurance.

3.2 EMPLOYEES

The Joint Board may authorize the Town Manager to employ such persons as the Joint Board deems necessary to accomplish the purposes of this Agreement. Such employees shall be employees of the Towns of Mapleton Castle Hill and Chapman for administrative and governmental reporting requirements only. The Joint Board shall have full authority to negotiate all terms including benefits concerning the hiring of the Town Manager and the execution of any and all contracts with said Town Manager. Further, said Joint Board shall have full authority to determine annual employee compensation. The Joint Board shall have full authority concerning the establishment and amendment to personnel policies including but not limited to all employee benefit programs.

3.3 ROAD COMMISSIONER.

The Road Commissioner shall have the responsibility of supervision of all Joint Highway Department employees, maintenance of all equipment, materials, supplies and facilities in the possession of the Joint Highway Department, and collection of all data required pursuant to the apportionment of costs formula, and shall have such duties as are prescribed for Road Commissioner by the Joint Board under the supervision of the Town Manager.

SECTION III

JOINT BUDGET APPROVAL AND ADOPTION PROCESS

PART 1. AUTHORITY OF THE JOINT BOARD TO GRANT FINAL

JOINT BUDGET EXPENSES (APPROPRIATIONS) APPROVAL

By adoption of this Interlocal Agreement, the Towns of Mapleton, Castle Hill, and Chapman herewith grant authority to the Joint Board to finally approve all Joint Budget Expenses (Appropriations) for the following fiscal year, based on Section III, Subsection Part 2 and to authorize any overdrafts in the Joint Highway Budget to be taken from surplus of each Town based on the Joint Highway Agreement Expense sharing formula.

PART 2. ADOPTION PROCESS

2.1 PREPARING THE COMBINED BUDGET

The Town Manager for the three towns will prepare a combined budget including both jointly shared expenses (and recommended appropriations) as well as individual town expenses (and recommended appropriations) and recommend approval.

2.2 PREPARING THE INDIVIDUAL TOWN BUDGETS

From this combined budget, the Town Manager will prepare each town's Budget and review them with each town's Select Board making any corrections, additions, or deletions, involving those items relative to the individual town's specific projects or expenses.

2.3 COMBINED BUDGET RECOMMENDATIONS - INITIAL APPROVAL

Based on the above, the Town Manager will make any corrections or changes to the individual town budgets and appropriate adjustments to the combined budget. The combined budget will then be reviewed by the Joint Board prior to January 31 in order to make any adjustments or changes to joint expenses (and recommend appropriations) that the Joint Board deem necessary.

2.4 WEIGHTED VOTE

Each of the 15 Joint Board Members shall have a weighted vote based on the Member's pro-rata share of his or her town's share of 50% of the General and Administrative cost sharing percent and 50% of the Highway cost sharing percent determined as illustrated on Attachment 1.

A majority of the total Members of each individual Town's Select Board shall be present for a quorum for all decisions voted on the Joint Board. See Attachment 4 for quorum requirements.

In order to approve a motion, the total voting units to approve must not be less than 1 unit greater than the total voting units of the party with the most voting units. If a vote to approve a motion was voted by Board Members, the vote would meet the minimum requirements and be a binding vote. See Attachment 5 for minimum voting requirements.

PART 3. ADMINISTRATION

The Town Manager shall execute and manage all the policies and decisions made by the Joint Board, affecting Joint Town operations. The Joint Board shall meet at the discretion of the Chair or by agreement of a majority of Board Members.

SECTION IV

REMEDIES

PART 1. BREACH

A party shall be deemed to be in breach of this Interlocal Agreement if it fails to appropriate or make timely payment of its share of any costs, or if it fails to perform or comply with any of the provisions or conditions of this Agreement. The non-breaching Member or Members of the Joint Board shall give such a party written notice of the specific acts or omissions, which constitute breach. A party so notified shall have thirty (30) days to remedy said breach within the notice period or if it waives the notice period, the party or non-breaching Member or Members of the Joint Board shall have the power to submit the question of breach to the arbitration procedure established in Part 2 herein below.

PART 2. ARBITRATION

Subsequent to the notice period established in Part 1 here in above, either the non-breaching Member or Members of the Joint Board or a party under notice of breach may give written notice to the other requesting that the question of breach be submitted to a board of three (3) arbitrators. The non-breaching Member or Members of the Joint Board and the party under notice of breach shall within five (5) days of such request each select and name one arbitrator and shall

immediately thereafter notify each other in writing of the name and address of the person so selected. The two (2) arbitrators so selected and named shall, within ten (10) days from such request, agree upon and select and name a neutral arbitrator. If either party shall not select its arbitrator or if the two (2) arbitrators shall fail to agree upon, select and name a neutral arbitrator within said ten (10) days, either party may request the American Arbitration Association selection of the neutral arbitrator, the three (3) arbitrators or if either party shall not have selected its arbitrator, the two (2) arbitrators as the case may be, shall meet with the Towns or their representatives, or both, forthwith, either jointly or separately, make inquires and investigations, hold hearings, or take such other steps as they deem appropriate, provided however that the arbitrators' jurisdiction shall be limited to interpretation or application of the terms of this Agreement. If the neutral arbitration is selected by utilizing the procedures of the American Arbitration Association, the arbitration proceedings will be conducted in accordance with the rules and procedures of the American Arbitration Association. The hearing shall be informal, and the rules of evidence prevailing in judicial proceedings shall not be binding. Any and all documentary evidence and other data deemed relevant by the arbitrators may be received in evidence. The Arbitration Board shall by majority vote make written findings and tender a decision which, with the exception of fraud, shall be final and binding upon the Joint Board, the party under notice of breach, and the other Towns to this Agreement. Costs of arbitration proceedings shall be shared equally by the Joint Board and the party under notice of breach.

PART 3. WITHDRAWAL

Any party by appropriate action of its legislative body may withdraw from this Agreement subject to the following:

- 3.1 The withdrawing party shall give written notice of its intent to the Joint Board on or prior to midnight, June 30 of any year, with the effective date of such withdrawal to be December 31 of that year. Such party shall make any payments due during the notice period, through the end of that fiscal year ending December 31.
- 3.2 Upon the effective date of withdrawal, a withdrawing party shall lose all rights, privileges and interests to benefits, funds or property held by the Joint Highway Department or in common with the other Towns except as set forth in this Agreement.
- 3.3 In the event of withdrawal by a municipality, the remaining two municipalities shall become the employing municipalities.

SECTION V

MUNICIPAL BUILDING FACILITY

PART 1. PURPOSE

The purpose of this section is to provide for buildings and other general operations thereof to serve the Municipalities of Mapleton, Castle Hill, and Chapman.

PART 2. DEFINITIONS

- A. "Municipal Building Facility" means the following described land area: (such parcel having been chosen by a vote of the Municipal Officers of the Town of Mapleton and Castle Hill on July 19, 1976, pursuant to the terms of Appendix "B" of the original Agreement for a Joint

Municipal Building, dated May 18, 1976, which vote and choice being hereby reaffirmed and ratified by the municipal officers of Mapleton, Castle Hill and Chapman, respectively and the description of such parcel is further described in a deed from Robert F. and Charlotte A. Allen to the predecessor in right, title and interest to the Mapleton-Castle Hill-Chapman Building Facility Corporation, recorded at Vol. 1274, page 202 of the Southern District of the Aroostook County Registry of Deeds, reference thereto being made and had, or structures used for storing equipment and providing office space, meeting facilities and other Municipal functions to be used by any of the Municipalities.

- B. "MEMBER TOWN" refers to the Municipal Officers of the Towns' of Mapleton, Castle Hill and Chapman.

PART 3. ADMINISTRATION

3.1 Directors

The amended certificate of the organization of the Mapleton-Castle Hill-Chapman Municipal Building Facility Corporation, hereafter called "Corporation" is hereby incorporated into and made a part of this Section V. The Directors of the Corporation, shall be the same as individual Members of the Joint Select Board. (Section II, Part 1) The Municipality of Mapleton shall have five (5) Directors. The Municipality of Castle Hill shall have five (5) Directors. The Municipality of Chapman shall have five (5) Directors. Each Director's term of office shall have commence on the day of the Annual Municipal Election within each Municipality and expire when the Director no longer is a Municipal Officer, shall be coterminous with the Municipal Office, or for a term of three (3) years, whichever occurs first.

3.2 Meeting

- A. The officers of the Corporation shall consist of a President, who shall be the Chair of the Joint Board, whom shall serve for a term of one (1) year and be chosen by the vote of a majority of the Joint Board Members. The President shall conduct all meetings of the Joint Board and in the event if his absence, the meeting shall be conducted by the Vice President.
- B. Joint Board meetings may be called by the President or by any Director, and in any event the Corporation shall hold an Annual Meeting.
- C. Quorum- See Section II 1.2 C
- D. Meeting Notice- See section II Part 1.2 B
- E. Voting- See Section II Part 1.3, except all matters involving capital expenditures in excess of the Building Reserve Fund shall require a majority vote from each towns' Directors.

3.3 Powers

The Joint Board shall have all necessary and incidental powers granted to Directors of non-capital stock Corporations under Title 13, Chapter 81, M.R.S.A., as amended, together with such limitations as are required by Law and this Agreement.

PART 4. FINANCE

4.1 Apportionment

Cost of acquisitions, improvements (both capital and non-capital) and operations, and items incidental, thereto, shall be paid for by appropriations. Appropriations shall be allocated between the Member Towns in accordance with the following:

- A. The Joint Board shall recommend appropriation amounts to the Member Towns in accordance with the ratio as shown in Attachment 1. Said ratio may be amended from time to time. In the event a Member Town appropriates less than the amount recommended, that action shall be deemed a breach of the Interlocal Agreement and the Articles of Incorporation/By Laws of the Corporation and the remedies of the town shall be as set forth in Section IV.

4.2 Financial Procedures

- A. For the purposes of accomplishing the purposes of Section V, said Joint Board by resolution of its Directors, without approval of the legislative bodies of the Member Towns, is hereby authorized and empowered to enter into agreements with the State or Federal Governments, or any agency of either, or any corporation, commission or board authorized by the State or Federal Governments, to grant or loan money, or to otherwise assist in the financing of projects such as the Corporation is authorized to carry out, and to accept grants and borrow money from any such governmental agency, corporation, commission or board as may be necessary or desirable to accomplish the purposes of this Section V.

B. The Corporation shall create a Building Reserve Fund. All contributions to said Building Reserve Fund shall be based on each Member Town's share of ownership which is:

Town of Mapleton	60%
Town of Castle Hill	20%
Town of Chapman	20%

Additional contributions/appropriations to the Building Reserve Fund as may be determined to be necessary by the Directors and shall be appropriated by each Member Town at Town Meeting. All capital expenditures in excess of the Building Reserve Fund and any necessary borrowing shall be subject to the approval of the legislative bodies of all Member Towns.

C. The Fiscal Year shall be a calendar year commencing January 1.

D. The Municipal Treasurer shall serve as Treasurer of the Municipal Building Facility Corporation, and shall have the power and duty to: receive, hold, and disperse funds, maintain accurate and complete records of the Municipal Facility Corporation and prepare an Annual Financial Report for submission to the Joint Board on or before January 15 of each year.

E. Auditing of the Municipal Building Facilities Corporation shall be done annually, and in the same manner as the municipal audit of the Joint Town Members, as of the date of this Agreement.

PART 5. PROPERTY

5.1 Title

The Corporation shall retain and hold title to all real and personal property acquired pursuant to the purposes for which the Corporation is formed, subject to the following:

A. In the event a site for any facility is acquired through exercise of the powers of eminent domain, by any one of the Member Towns, then the Member Towns, so taking, shall retain title to the property taken and shall lease the property to the Corporation. The term of the lease hold intent, shall be the term of this Agreement or the useful life of the site as a Municipal Building Facility, whichever shall first occur. The lesser municipality may elect to receive from the Corporation, in-kind contribution credit for the costs of acquisition. But in any event, the Corporation shall pay an amount, which in sum equals the cost of the taking, less the lesser municipalities' proportionate contribution to the Corporation. Such payments shall be shared in accordance with the provisions of Section 4.1 hereof.

5.2 Improvements

The Corporation shall develop and construct all improvements, keep the same in good repair, and shall insure all properties acquired by or leased to it.

5.3 Distribution of Assets at Termination

Assets of the Corporation remaining at the time of dissolution of the Corporation or the withdrawal of a Member Town of termination of this Section V shall be divided among the Member Towns, pro rata according to the total of each Town's

- (1) acquisition contribution as set forth in Attachment 1 and
- (2) each town's future payments toward capital improvements and additions as determined by final audit.

Upon dissolution of the Corporation, all property, real and personal, acquired by the Corporation shall be offered for sale to the Member Towns. In case of more than one Member Town wanting the property shall be transferred to the highest bidder.

PART 6. PERSONNEL

(See Section II, Part 3)

PART 7. REMEDIES

7.1 Breach

(See Section V, Part 1, which provisions thereof shall apply to any Member of this Section V).

7.2 Arbitration

(See Section V, Part 2.)

7.3 Withdrawal

Any Member Town by appropriate approval by its legislative body may withdraw from this Corporation and the terms of this Section V.

- A. The withdrawing Member Town shall give written notice of its intent to withdraw to the Corporation prior to January 1 of any year.
- B. The effective date of such withdrawal shall be January 1 of the following year. The withdrawing Member Town shall make payments due to the Corporation up to January 1 of each following year.

C. Notice of withdrawal from this Section V may be deemed as an automatic notice of withdrawal from the Interlocal Agreement by non-withdrawing Towns at their sole discretion and shall be subject to all requirements outlined in Section IV, Part 3 of the Interlocal Agreement.

7.4 Corporation is Third-Party Beneficiary

The Corporation is hereby declared to be third-party beneficiary of this section V-and shall be entitled to seek enforcement of any term, provision or condition of this Section V.

7.5 Indemnification in Case of Liability to Third Parties

The Member Towns agree to indemnify each other for any liability which a Member Town/Towns may incur as a result of a suit against the Corporation arising out of activities performed by it for the benefit of the Member Towns. Any such indemnification shall be shared in accordance with the provisions of this Section V.

PART 8. ADOPTION AMENDMENT

8.1 Duration

Section V shall continue in full force and be effective until one of the Member Towns of the Corporation fails to perform or comply with any of the terms of Section V.

8.2 Adoption

Section V will not take effect with respect to the Towns hereto unless the following occurs:

- A. It has been approved by the legislative bodies of all Member Towns and a majority of the Municipal Officers thereof have affixed their signatures below; and
- B. It has been filed with the Clerk of each of the Member Towns and with the Secretary of State.

8.3 Amendment

Section V may be amended by the Member Towns in the same manner as that provided in Section VI, Part 3. Additional Town Members may be admitted to the Corporation if the Joint Board votes, by majority vote from each Town's Directors to admit such additional new Town Members, and the legislative bodies of all Town Members including the new Town Members accept, by appropriate action, the terms and conditions placed upon new Town Member by Section V and any other term and conditions as determined by the Joint Board.

8.4 Ratification

The Towns agree that the terms of Section V shall be retroactive to January 1, 1993. The Towns hereby affirm and ratify all acts and actions of their Select Board taken prior to January 1, 1993 relating to in any manner Section V and its adoption.

EXECUTED IN FOUR COUNTERPARTS EACH OF WHICH SHALL BE DEEMED
AND IS HEREBY DECLARED TO BE AN ORIGINAL.

SECTION VI

MISCELLANEOUS PROVISIONS

PART 1. DURATION

The duration of this Interlocal Agreement shall be 15 years from the date of adoption. A party may withdraw by vote of its legislative body, on or before midnight June 30 of each year. The withdrawal shall become effective as of December 31 of that calendar year (the end of that current fiscal year). Termination of this Agreement may be accomplished by vote of at least two of the party's legislative bodies, on or before midnight June 30, to terminate the Agreement as of December 31 of that calendar year (the end of that current fiscal year).

PART 2. ADOPTION

Adoption of this Agreement shall be subject to its ratification by the Maine Legislature and by Special Act of the Maine Legislature to enter into such an Interlocal Agreement.

PART 3. AMENDMENT

This Agreement may be amended from time to time by the Joint Board by approval of two-thirds vote of a quorum as outlined in Section II, Part 1, Subsection 1.3. Said amendment to be effective beginning the next fiscal year following adoption. Should amendment to this Agreement be required by State Statute, in the future, said amendment shall require only a simple majority vote.

PART 4. TIME IS OF THE ESSENCE

NOTE WELL: The Towns hereby agree that TIME IS OF THE ESSENCE to the terms and provisions of this Agreement. Notification of the intention to withdraw by any party must be

made on or before midnight of June 30. Failure to so notify the other Towns accordingly, implies that the party will honor the Agreement until the end of the following fiscal year and be liable for its share of joint expense.

PART 5. PRIOR AGREEMENTS AND/OR CONTRACTS

For the purposes of this Agreement, the Member Towns hereby ratify and confirm all actions taken by said Towns prior to the adoption of this Agreement pursuant to the terms of any agreements or contracts between said Towns in force and effective prior to the adoption of this Agreement.

Attachments 1 through 5

2024 Interlocal Formulas & Cost Sharing

General Government Cost Sharing Attachment 1							
2023							
	<u>Population</u>	<u>%</u>	<u>70%</u>	<u>State Valuation</u>	<u>%</u>	<u>30%</u>	<u>Cost Share</u>
Mapleton	1886	0.685818	0.480072727	153,500,000.00	0.694570136	0.208371041	68.84%
Castle Hill	373	0.135636	0.094945455	31,650,000.00	0.14321267	0.042963801	13.79%
Chapman	491	0.178545	0.124981818	35,850,000.00	0.162217195	0.048665158	17.36%
	2750	1.00	0.70	221,000,000.00	1.00	0.30	100.00%
US Census is every 10 years, last was 2020							
Highway Department Cost Sharing Attachment 2							
	<u>Winter Miles</u>	<u>Summer Miles</u>	<u>Total Miles</u>	<u>Average</u>	<u>Highway Cost Share</u>		
Mapleton	36.74	30.77	67.50	33.75	52.04%		
Castle Hill	14.71	14.97	29.68	14.84	22.88%		
Chapman	17.77	14.77	32.54	16.27	25.08%		
				64.86	100.0%		
Weighted Vote Calculation Attachment 3							
	<u>General Govt</u>	<u>Highway</u>	<u>Total Points</u>	<u>Board Members</u>	<u>Points Per Person</u>		
Mapleton	68.84%	52.04%	60.44	5	12.09		
Castle Hill	13.79%	22.88%	18.34	5	3.67		
Chapman	17.36%	25.08%	21.22	5	4.24		
			100.0				
	<u>1 Vote</u>	<u>2 Votes</u>	<u>3 Votes</u>	<u>4 Votes</u>	<u>5 Votes</u>		
Mapleton	12.09	24.18	36.26	48.35	60.44		
Castle Hill	3.67	7.33	11.00	14.67	18.34		
Chapman	4.24	8.49	12.73	16.98	21.22		
Quorum Requirements Attachment 4							
	<u>Selectmen Required</u>	<u>Weighted Vote</u>	<u>Total</u>				
Mapleton	3	12.09	36.26				
Castle Hill	3	3.67	11.00				
Chapman	3	4.24	12.73				
Minimum Voting Requirements Attachment 5							
	<u>Weighted Vote</u>	<u>Members Present</u>	<u>Abstaining or Contrary</u>	<u>Members Voting w/ Majority</u>	<u>Majority Voting Units</u>		
Mapleton	12.09	3	2	1	12.09		
Castle Hill	3.67	3	0	3	11.00		
Chapman	4.24	3	0	3	12.73		
					35.82		