

Building Operating Fund
Septic Sludge Dump Site
School Safety Lights
Toxic Waste Disposal

2.6 RESERVE FUNDS - VARIOUS.

All reserve funds not involving the Joint Highway Department that are shared jointly based on the Administrative formula, such as, but not limited to:

Fire Equipment Replacement
Computer Replacement/Repair
Employee Benefits - Office and Manager.

SECTION II.

JOINT HIGHWAY AGREEMENT AND COST SHARING FORMULA

PART 1. DEFINITIONS

1.1 DEFINITIONS

As used in this section:

- A. "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, special contracts, equipment replacement reserves and salt shed reserve.
- B. "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.

- C. "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.
- D. "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.

- E. "Supplies" shall mean items not considered equipment or materials including but not limited to office supplies, tools, fuel and parts.

PART 2. JOINT HIGHWAY DEPARTMENT FINANCE

2.1. APPORTIONMENT.

- A. 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 parties in accordance with the following:

- (a) Appropriations.

- Total operating capital and other costs, to be raised by appropriation, will be apportioned between the parties 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) parties. For purposes of this Agreement, the following percentages will be utilized during each fiscal year and each party shall appropriate an amount equal to its respective percentage of the total budget adopted by the Joint Board.

Mapleton	-	50.8%
Castle Hill	-	21.8%
Chapman	-	<u>27.5%</u>
		100.0

(b) Subsequent appropriations:

Prior to the end of each fiscal year, this apportionment procedure and ratio shall be reviewed by the Joint Board of Selectmen and the Administrator and amended, if necessary to conform to changes in "road miles" of each of the parties hereto.

(c) The manner in which appropriations are financed shall be at the sole discretion of the parties.

2.2. HIGHWAY DEPARTMENT FINANCIAL PROCEDURES

- A. 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.
- B. 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 parties 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.
- C. Each party shall establish a Sand-Salt Shed Reserve Account Fund, which shall be called "Sand-Salt Shed Reserve Fund." Funds from such account shall be used to match State Funds for the purpose of constructing a Sand-Salt Storage Shed for the Joint Highway Department. The parties shall

annually appropriate to said accounts an amount determined by the Joint Board of Selectmen.

PART 3. HIGHWAY PROPERTY

3.1 TITLE.

- A. Interest in the property listed in the Appendix A shall be conveyed forthwith by appropriate instruments to the parties in a manner which will create tenancies in common in such property. The value of such property at the time of conveyance as aforesaid shall also be reflected by Appendix A and shall be referred to hereafter as the initial investment. Upon termination of this Agreement, each party shall be reimbursed for equipment conveyed to the Joint Highway Department as initial investment in accordance with Section 3, Subsection 2.2, paragraph B.
- B. Title to any personal property acquired subsequent to the effective date of this Agreement shall be held by the parties 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 as outlined in Section 3, Subsection 1.3
- C. Title to any real property acquired for Joint Highway Department purpose subsequent to the effective date of this Agreement shall be held by

the parties 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. The Joint Board shall recommend the purchase of such real property to the legislative bodies of the parties.

3.2. HIGHWAY MAINTENANCE; INSURANCE.

The property listed in Appendix A and any property subsequently acquired pursuant to a recommendation of the Joint Board shall be transferred to the possession of the Joint Highway Department. 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 III

ADMINISTRATION

PART 1. ADMINISTRATION

1.1 JOINT BOARD OF SELECTMEN, ADMINISTRATOR.

The municipal officers of the parties shall convene as the Joint Board of Selectmen, hereinafter called