

Readfield Transfer Station Interlocal Agreement

Terms of Agreement

I. Legal Basis

The Towns of Fayette, Readfield and Wayne are municipalities duly organized and existing under the laws of the State of Maine. The communities are contiguous and are located in Kennebec County, Maine. The legal basis for the establishment and authority of this interlocal Agreement is Chapter 115 “Interlocal Cooperation” of Title 30-A of the Maine Revised Statutes, as the same may be amended from time to time.

II. Name

The name of the entity subject to this Agreement shall be the, Readfield Transfer Station hereinafter referred to as the “Station.”

III. Purpose of Agreement

The Towns of Readfield and Wayne have operated the Station and shared operational expenses and revenues for the Station equally since the early 1990’s. Capital expenses were borne by the host town of Readfield unless otherwise negotiated. In July of 2016 the Town of Fayette began utilizing the Station on a short-term basis in accordance with a one-year contract and fee schedule. This relationship was formalized in 2017 with the implementation of a revised Interlocal Agreement recognizing all three towns. It is the expectation of the parties hereto that a cooperative sharing of the Station by the towns of Fayette, Readfield, and Wayne will work for the long-term benefit of our respective citizens and taxpayers. The purpose of this agreement is to:

- Provide opportunity for expanded, enhanced, and more efficient services.
- Ensure that each town has a meaningful role in managing the costs, benefits, and service levels of their shared Station.
- Maintain stability in the provision of waste management for the towns.
- Equitably balance the expense of operating the Station between the towns.
- Save each town tax dollars by avoiding the duplication of facilities and services.

To this end, the towns hereby agree to jointly use the Station and to exercise such powers as may be provided separately or jointly by the member governments with respect to solid waste and recycling, as set forth below.

IV. Management of the Station

A. General Operations. In order that the management of the Station shall be as efficient and small as possible, the parties agree that it shall be the responsibility of the Town of Readfield to administer and operate the Station. Governing documents for the Station shall include any applicable policies, the current Station Operations Manual, current Solid Waste and Recycling Ordinance, and current Maine Department of Environmental Protection license.

As part of the efficient operation of the Station the Town of Readfield Select Board agree to meet with the Select Boards from the Towns of Wayne and Fayette, at their request, to review and establish governing documents for the Station. In addition, the Town Managers from Readfield, Wayne, and Fayette shall communicate regularly on matters relating to the ongoing operations, maintenance, and budget of the Station.

The Town of Readfield shall have the responsibility for all personnel decisions and management of the employees of the Station at such compensation as it deems warranted; to contract for services for the Station; to make planned and emergency capital expenditures; and to maintain financial accounts for the deposit of fee income, revenues appropriated by the towns, and for the payment of the expenses of the Station. It shall also have the right to adopt such governing documents it deems necessary and advisable for the operation of the Station. The Town of Readfield shall also be solely liable for any and all claims arising from its oversight and employment of Station employees, from any contractual disputes, and from the collection and payment of all fees and expenses of the Station.

B. Establishment of an Advisory Solid Waste & Recycling Committee (SWRC). There is hereby established an Advisory Solid Waste and Recycling Committee (SWRC), which shall be comprised of citizens from each member town and the Station Manager. The purpose of the SWRC shall be to assist and make suggestions on the overall operations of the Station, to enhance the efficiency of the Station and recycling program, to improve services to the public, and to effectuate a comprehensive public education program to increase the understanding of the participation in the recycling program. The SWRC shall operate under the guidance of the SWRC Charter and any duly adopted rules, which may be amended by agreement of all the Select Boards of the member towns from time to time as necessary. Each member town shall be represented equally on the SWRC by two voting members with at least one member serving on their town Select Board . Each Town may also designate an alternate voting member. It shall be the responsibility of the Fayette and Wayne committee members to report to their respective Select Boards on the materials presented at all committee meetings. It shall be the responsibility of the Station Manager to report to the Readfield Select Board on all materials presented at the committee meetings. The parties agree to establish such other and further permanent and ad hoc Advisory Committees as they deem necessary during the term of this Agreement. The Town Managers of Fayette and Wayne may advise the Readfield Town Manager on all matters of this Agreement.

C. Financial Records. The financial records for the Station shall be maintained by the Treasurer of the Town of Readfield. The records of the Station shall be public records to the same extent as other municipal records, and shall be available for public inspection and copying pursuant to the Maine Right to Know Law (M.R.S.A. Title 1, Chapter 13). The Readfield Treasurer shall prepare monthly financial reports to be issued to the Select Board of the member towns, and shall be available to consult with the Select Board of the member towns with regard to any financial transaction.

D. Accounts Payable. All payments for services and goods for the Station shall be approved by a majority of the Select Board of the Town of Readfield.

E. Liability. Each municipality shall indemnify and hold harmless each other municipality for all claims, suits, or liabilities of every kind or nature arising out of or from any negligent or intentional wrongdoing, act, or omission by a participating municipality or any of its agents, employees, consultants, or contractors relating to the duties and obligations of the municipalities under this Agreement. Unless otherwise provided herein, no municipality shall be liable for more than its pro rata share with respect to any obligations or liabilities under this Agreement. The Towns of Wayne and Fayette shall be specifically excluded from any and all liability for environmental or hazardous waste related claims which existed, or which may be discovered to have existed, prior to the date of this Agreement.

This obligation to indemnify shall not waive any defense immunity or limitation of liability, which may be available to the officers, agents or employees of any participating Town, under the Maine Tort Claims Act pursuant to the provisions of 14 MRSA Section 8101 et seq. or any other privileges or immunities as may be provided by law.

Adequate hazard and liability insurance for the Station must be maintained by the Town of Readfield and certificates of insurance shall be provided to member towns annually.

V. Financing and Budgeting of the Station

A. Division of Operating Expenses. The member towns shall share in the operating expenses of the Station. The portion of operating expenses to be paid by each municipality shall be reported as a percentage carried to three decimal places and shall be determined by dividing the most recent State of Maine real property valuation for each member town by the total State of Maine real property valuation of all member towns. In the event the Station becomes equipped with appropriate scales or other mechanisms for competent tracking of each municipality's solid waste disposal, the member towns herein agree to substitute the formula provided above for a formula based on actual usage. Operating expenses shall include all expenses associated with the Station, except for capital expenses. Such operating expenses include (but are not limited to): waste disposal fees, hauling fees, recycling fees, wages of employees, utilities, security costs, insurance, office and administrative expenses, ordinary maintenance of equipment, and replacement of equipment that has a life expectancy of less than two years and costs less than \$5,000.00.

B. Division of Capital Expenses. In order to deliver planned capital investments and buffer against unanticipated capital expenses, the member towns shall share in the capital expenses of the Station through annual contributions to a designated capital reserve managed by the Town of Readfield. The portion of capital expenses to be paid by each municipality shall be reported as a percentage carried to three decimal places and shall be determined by dividing the most recent State of Maine real property valuation for each member town by the total State of Maine real property valuation of all member towns. In the event the Station becomes equipped with appropriate scales or other mechanisms for competent tracking of each municipality's solid waste disposal, the member towns herein agree to substitute the formula provided above for a formula based on actual usage. Capital Expenses shall include all Station

related improvements and equipment with an expected useful life in excess of two years or a cost in excess of \$5,000. Such capital expenses include (but are not limited to): compactors, recycling cans, backhoe, scales, buildings with the exception of the Readfield Maintenance building, permanent structures, access road surfaces and earthworks, holding tanks, and storage containers. . Combined annual contribution by the member towns to the reserve shall be initially set at eight percent of the budgeted net operating expense of the Station and may be adjusted by mutual agreement of the Select Boards of the member towns.

No town shall be required to make additional contributions to the designated capital reserve for present or future expenditures without further agreement between the Select Boards of the member towns as to the division of the initial capital expense and disposition of the equipment upon termination.

- C. Fee Income. All income generated by the Station from waste disposal fees, permit fees, etc. (whatever or whoever the source) shall be retained by the Town of Readfield and used to reduce the operating expenses thereof. Each community shall be empowered to issue permits for use of the Station at such fees as recommended by the SWRC and as agreed upon by all member towns.
- D. Annual Budget & Capital Investment Plan. The Readfield Town Manager shall prepare an annual budget and capital investment plan for the Station for presentation to the Select Board and Budget Committee of each member town. The budget and capital investment plan shall presume a fiscal year of July 1 to June 30. The budget and capital investment plan shall be prepared sufficiently in advance of the annual town meeting of each town to permit considerations of each town's share of the expenses on the annual town warrant. The Town of Readfield shall bill the Towns of Fayette and Wayne each calendar month in arrears for their share of the actual incurred operating expenses and designated capital reserve contributions. The Towns of Fayette and Wayne shall remit to the Town of Readfield the billed amount within thirty days of presentation. Changes in the annual budget following adoption must be approved by a majority of the Select Board in each member town. Each town shall be responsible for prudently incurred expenses recommended by the SWRC and approved by the Readfield Select Board, and each town shall convene such meetings of the legislative body as may be necessary for consideration of the budget, original appropriations and supplemental appropriations (if any) for each town's share of the operating and capital expenses of the Station.
- E. Title to Property. Title to the real estate, equipment and personal property supplied by the Town of Readfield (including the Station equipment) not subject to a separate agreement shall remain in the Town of Readfield.

VI. Duration and Termination of Agreement

- A. Term. This Agreement shall be effective for three years from the date of the Agreement, subject to approval of each member town's legislative body at Town Meeting, and shall continue thereafter for successive three-year terms unless terminated by any member town.

- B. Termination. After the expiration of the initial three year term, this Agreement may be terminated by any party through written notice provided to all parties no less than twelve months in advance of the intended termination date. The notice of termination shall be effective when delivered in writing to the Town Manager or Chair of the Select Board of the other member towns. The effective date of termination shall be the end of the first fiscal year (July 1 to June 30) following expiration of the notice period. The failure of a member town to appropriate funds at its annual town meeting required to meet their share of the expenses incurred to operate the Station as identified in Section V of this Agreement shall serve as a notice of termination, unless the funds are appropriated at a subsequent special town meeting called within 120 days of the annual town meeting. Any notice of termination shall not relieve a member town of its liability for expenses incurred prior to the effective date of termination at the end of the applicable fiscal year.
- C. Disposition of Funds and Property Upon Termination of this Agreement by any member Town. Upon termination of this Agreement, the Station, all equipment, personal property and real property shall remain the sole and exclusive property of the Town of Readfield. All remaining funds of the Station after payment of all bills accrued through the effective date of termination shall become the sole and exclusive property of the Town of Readfield.

VII. Dispute Resolution

- A. If there are any disputes or disagreements arising among the parties out of this Agreement, the Towns agree to meet to discuss and attempt to resolve any issues. The Towns hereby agree that a third-party neutral may be retained, at a cost to be shared equally by the Towns, to facilitate any meetings necessary to reach a mutual resolution.
- B. If issues cannot be resolved in a meeting, all disputes must be resolved through binding arbitration. The process shall be agreed to by the parties and shall occur in Kennebec County, Maine. The arbitrator shall order any and all necessary relief to the prevailing party.

VIII. Adoption and Amendment





This Agreement shall become effective upon (a) approval by ordinance, resolution, or other action by the legislative body of each member town; (b) the filing of this Agreement with the Maine Secretary of State; and (c) the filing of this Agreement with the Clerk of each member town. Following adoption, the Agreement may be amended only by majority vote of the Select Board of all three member towns. If any portion of this Agreement is found to be contrary to law (or is invalidated by subsequent change in the enabling state legislation), such invalidation shall not invalidate other portions, and the parties shall amend the Agreement to remedy the invalidated portion hereof.

In Witness Whereof, the duly authorized Select Boards of the Town of Fayette, the Town of Readfield, and of the Town of Wayne do hereby set their hands and seals as approved on this 5th day of August, 2025.

Town of Fayette, Maine, by:

Town of Readfield, Maine, by:

Town of Wayne, Maine, by:

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