

[NAME]  
**INTERLOCAL AGREEMENT**

This Interlocal Agreement (the “Agreement”) is made by and among the Towns of Lisbon, Bowdoin and Bowdoinham (the “Members”).

WHEREAS, 30-A M.R.S. § 2201, *et seq.*, permits political subdivisions of the State, including municipalities and counties, to enter into interlocal agreements to cooperate to their mutual advantage in the provision of services; and

WHEREAS, the legislative bodies of the Members have determined that it is their best interest to participate in this Agreement to investigate, plan, and provide for an emergency medical service to serve the Members’ respective jurisdictions.

NOW, THEREFORE, in consideration of the mutual covenants and conditions set forth below, the Members agree as follows:

**1. PURPOSE**

The purpose of this Agreement is to establish a cooperative arrangement between the Members to jointly plan for and create a corporation for the purpose of providing emergency medical services to the Members.

**2. DEFINITIONS**

As used in this Agreement, the following words have the following meanings unless otherwise indicated:

**a. Board or Board of Directors.** “Board” or “Board of Directors” means the group of representatives of each Member appointed in accordance with **Section 3(c)** that is responsible for the administration and operation of the corporation established by Section 3.

**b. Corporation.** “Corporation” means the corporation to be established pursuant to Section 3 of this Agreement.

**c. Emergency Medical Service.** “Emergency medical service” or “EMS” means provision of ambulance dispatch, ambulance services and trained paramedic, emergency medical technicians, and other emergency medical service staff.

**d. Governing body.** “Governing body” means the legislative body of a municipality, unless the legislative body has delegated the relevant authority to the municipal officers, in which case the “governing body” shall be the municipal officers.

**e. Members.** “Members” means the Towns of Lisbon, Bowdoin and Bowdoinham, and such other municipalities as may be added to this Agreement pursuant to Section 4.

**f. Municipality.** “Municipality” means a town, municipality, plantation, or other political subdivision of the State.

**g. Treasurer.** “Treasurer” means an individual appointed by the Board of Directors of the Corporation to oversee the finances of the Coalition and to prepare and present budgets to the Board of Directors in accordance with this Agreement. The Treasurer may be a member of the Board of Directors or an individual employed by the Coalition and appointed by the Board of Directors.

### 3. ADMINISTRATION

**a. Corporation; Formation.** The Members agree to form a nonprofit corporation called \_\_\_\_\_ (“the Corporation”) organized under Title 13-B M.R.S. § 101 *et. seq.*, which shall be organized with the Members as sole initial members. The Corporation shall be created to conduct the purposes set forth in Section 1 of this Agreement.

**b. Powers of Corporation.** The Corporation shall have and exercise all powers necessary or convenient to effect the purposes for which the Corporation is organized, or to further the activities in which the Corporation may lawfully be engaged, including but not limited to those powers in this Agreement and in the Bylaws that may be adopted from time to time for said Corporation.

**c. Board of Directors.** The affairs of the Corporation shall be governed by a Board of Directors consisting of at least four (4) Directors, subject to the following:

**i. Appointment; Vacancies.** The Board of Directors shall consist of two members appointed by the Town of Lisbon municipal officers, and one member each respectively appointed by the Town of Bowdoin and Bowdoinham municipal officers. If a vacancy occurs by death, incompetence, removal, failure to meet qualifications, or any other cause, the municipal officers of the Member that made the appointment may fill the vacancy by appointment for the remainder of the unexpired term.

**ii. Weighted Voting.** Each Director’s vote shall be weighted for the population of the Member the Director represents, calculated by dividing the population of the Member municipality (as determined by the last official U.S. Census) by the number of Directors for the municipality. The weighted votes shall be first determined as of the first meeting of the Board of Directors and adjusted each January 1.

**iii. Removal.** A Director may only be removed for cause by majority vote of the Board at a special meeting called for that purpose or by the submission of a written letter of resignation to the Board. A vacancy on the Board shall be filled in the same manner as the appointment of a Director.

**iv. Meetings.** The Board shall meet at an established location and time at least quarterly and may meet as often as it deems necessary for the proper and efficient operation of the Corporation and satisfaction of the purposes of this Agreement. Special or emergency meetings may be called by the Chair, by a majority of Directors, or by the vote of the governing body of any Member. The Board shall provide public notice of any meeting in accordance with 1 M.R.S. § 406 and provide to each Director and Member written notice of the time, place, and business to be considered at any meeting at least 7 days prior to the date of the meeting. The Chair may waive these notice requirements in the event of an emergency provided that a bona fide effort is made to provide reasonable notice to each Director, Member, and members of the public.

**v. Operation.** The Board of Directors shall conduct all business by a majority vote of appointed Directors with each Director having only one vote. Proxy voting is not permitted. A quorum is necessary for the conduct of any business and shall consist of a majority of Members, excluding any vacancies. In the event of a tie vote, the EMS Director may cast the deciding vote.

**vi. Officers.** At its first meeting, the Board of Directors shall elect a Chair and a Treasurer, each to serve for a term of 2 years.

**vii. Duties.** The Board of Directors shall hold all authority of the Corporation except as otherwise set forth in this Agreement, including but not limited to the following:

- a. The Board of Directors shall hire, manage, discipline and remove an EMS Director.
- b. The Board of Directors may establish subcommittees to advise on any Corporation business.
- c. The Board of Directors may also adopt Bylaws governing the management of the Corporation, provided however that they must be consistent with the terms of this Agreement. The initial adoption of Bylaws and any substantive amendment to them must be ratified by the municipal officers of each Member before they may take effect.
- d. If there is any distinction between adopted Bylaws and this Agreement, this Agreement shall control.
- e. The Board of Directors shall purchase sufficient insurance policies, including all statutorily required insurance as well as vehicle and equipment insurance, officers and directors liability coverage, general liability coverage, and all other such insurance required to cover the reasonable liabilities that could be incurred by the Corporation.

**d. EMS Director.** The EMS Director shall have all powers necessary and incidental to the performance of emergency medical services provided by the Corporation, to include without limitation the following:

- i. To direct and control all employees in the performance of emergency services operations within the geographical limits of the Members;
- ii. To direct the hiring, management and removal of all Corporation employees and to adopt personnel policies for the Corporation subject to the review and consent of the Board of Directors;
- iii. To promulgate administrative rules, policies and procedures relating to Department operations;
- iv. To oversee training of EMS staff in corporation with appropriate governmental agencies and the Members' other emergency services;
- v. To provide for the maintenance of all Corporation equipment and buildings; and
- vi. To direct EMS dispatching and response protocols.
- vii. To purchase and dispose of Corporation property with a value of less than \$1,000 and to recommend purchase or disposal of property exceeding that value to the Board of Directors for approval.

#### **4. MEMBERSHIP**

**a. Eligibility.** The Corporation may permit any eligible municipality to become a Member of this Agreement, subject to approval by the municipal officers of each Member. A municipality is eligible for admission if the municipality's governing body has voted to become a member to

this Agreement and to be bound by this Agreement and the Corporation's bylaws in accordance with 30-A M.R.S. § 2203. If an additional member is added pursuant to this subsection, it shall be entitled to appoint a representative to the Board of Directors; the number of members on the Board of Directors, as well as the weighting of votes and calculations for quorum and majority, shall be adjusted accordingly. The Board of Directors shall determine by written agreement with the entering municipality the appropriate proportionate share, calculated based upon that municipality's average number of EMS calls over the prior five years, in relation to the number of EMS calls for all of the members over the prior five years.

**b. Admission.** Admission of a new member shall be by the following process:

- i. The Board negotiates a written joinder agreement with the joining municipality, which must be approved by unanimous vote of the Board in order to proceed.
- ii. The joinder agreement is approved by the municipal officers of each existing Member.
- iii. The joinder agreement is approved by the legislative body of the joining municipality.
- iv. The joinder agreement is added to this Agreement as an addendum.

**c. Member withdrawal.** A Member may withdraw from this Agreement if:

- i. The Member's legislative body authorizes withdrawal from this Agreement;
- ii. The Member provides written notice of its intent to withdraw by November 1 prior to the commencement of the Corporation's fiscal year for which withdrawal will be effective; and
- iii. The Member pays any amount owed pursuant to this Agreement to the Corporation on or before the date of withdrawal.

All withdrawals shall be effective as of the end of the fiscal year encompassing the 90<sup>th</sup> day following the date of notice of withdrawal.

Upon withdrawal, the Member shall not be entitled to a share of any physical assets held by the Corporation. The withdrawing Member shall be entitled only to a proportionate share (calculated in accordance with Section       ) of the Corporation's undesignated balance upon the close of the Corporation's books for the fiscal year preceding the withdrawal, less its proportionate share of accounts payable at the close of Corporation's books for said fiscal year. This amount shall be paid out to the withdrawing municipality within 60 days of the close of the fiscal year preceding the withdrawal. If there is a budget shortfall at the close of the fiscal year, the withdrawing member shall be assessed its proportionate share, with such payment to be made within 30 days of invoice.

## **5. FINANCE AND FUNDING**

**a. Fiscal Year and Budget procedures.** The fiscal year shall begin on July 1st and end on June 30th. The EMS Director shall develop and prepare a budget for each upcoming fiscal year. The budget shall be provided to the Members and to the Board of Directors at least two weeks prior to the Board meeting at which it will be considered. It shall be voted on by the Board of Directors no later than February 1 of the preceding fiscal year. Failure by the Board of Directors

to vote on or adopt the Treasurer's budget constitutes re-authorization of the prior fiscal year's budget.

**b. Budget content.** The operating budget shall include all costs related to salaries and wages, personnel benefits, commodities, maintenance, contractual services, and other regular expenses. The capital outlay shall be based on the life expectancy and current replacement cost of vehicles and equipment with a value exceeding \$25,000. Vehicles and equipment with a value exceeding \$25,000 shall be purchased and replaced by the Corporation upon recommendation by the EMS Director according to the Corporation's capital plan.

**c. Capital accounts.** In addition to the annual budget, the Corporation shall establish a capital equipment and reserve account pursuant to 30-A M.R.S. § 5801, which shall be entitled the Capital Reserve Account. Funds shall be released from the Capital Reserve Account to be expended solely for the purchase of emergency services capital equipment or minor building repairs with a cost of less than \$25,000, or for use as contingency, and shall not be expended for real property improvements beyond the scope of general maintenance and building renovations.

**d. Grants and Borrowing.** The EMS Director, with the consent of the Board of Directors, may apply for, receive, and enter agreements for grants and undertake other fundraising efforts to support the Corporation's purpose. The Corporation may issue bonds and notes on the full faith and credit of its member municipalities, provided that each Member shall approve all such issuances according to their respective charters or ordinances. The Corporation may, with approval of the Board of Directors and subject to applicable law, issue revenue anticipation bonds.

**e. Apportionment.**

Each member shall pay a share of the total Corporation budget, which includes an operating budget and capital outlay. The percentage of cost-sharing shall be based upon each Member's approximate use of the service, and shall be fixed each year by calculating an average of the number of calls for service within the municipal boundaries of each Member for the prior five completed fiscal years of membership, or such fewer number of years as the Member has been a part of the Corporation. For the first year of operations, the contributions shall be as follows:

Town of Lisbon \_\_\_%

Town of Bowdoin \_\_\_%

Town of Bowdoinham \_\_\_%

In accordance with this cost-sharing formula, the EMS Director shall annually provide to the Board of Directors a recommended percentage of cost-sharing for each Member and a corresponding appropriation for the succeeding year. The Board of Directors shall provide these amounts to the respective Members' municipal officers no less than 60 days prior to the close of the fiscal year. A municipality's failure to appropriate sufficient funds to meet its projected contribution shall not excuse it from making any payments due to the Corporation under this Agreement.

Payments due under this Agreement may be made in four equal installments in the months of July, October, January and April.

Revenues of the Corporation that exceed its expenses for the fiscal year shall be carried over to the following year's budget to offset Member contributions and/or be directed to capital accounts in accordance with the budget as approved by the Board of Directors.

**f. In-kind contributions.** In lieu of or in addition to the financial contributions described in this Agreement, the Corporation may accept in-kind contributions from Members and any other permissible sources, including contributions of real property or interests therein, goods or services, and staffing. Acceptance of an in-kind contribution from a Member in lieu of a required financial contribution must be approved by a vote of the Board with the contributing Member abstaining.

**g. Fiscal agent.** The Board of Directors may administer its own finances, or may by contract with one of the Member municipalities designate that municipality as the fiscal agent for the Corporation. The fiscal agent if so designated will be responsible to hold the finances of the Corporation and pay its debts and obligations, to administer payroll and benefits for the Corporation, and to perform any other functions concerning the fiscal management of the Corporation, all in accordance with directives set by the Board. An agreement with the designated fiscal agent may provide for compensation based on the percentage of the total budget, revenue sharing, a monthly or annual fee, or any other approved method.

**h. Response charges.** The Corporation may charge fees for services provided, including but not limited to contracts to provide coverage for non-member municipalities, event and sports coverage, trainings and paramedic intercepts. The Corporation will charge standard rates for services as set forth in a policy to be adopted by the Board of Directors from time to time in accordance with applicable law, and may contract with a billing service or with any Member town for this purpose. The Corporation may also contract with a collection firm to collect patient accounts over 120 days past due.

## 6. PROPERTY

**a. Ownership.** All real or other property or property interests acquired by a Member for the purposes of this Agreement shall be solely owned by the Corporation. Nothing in the foregoing shall prohibit a Member from conveying such property or an interest therein to the Corporation, by gift or for other consideration as approved by the Board of Directors. The Corporation is authorized to own and encumber any property contributed to it by a Member or acquired in accordance with this Agreement and the Corporation's bylaws.

**b. Disposition of property.** During the term of this Agreement, the proceeds from the sale of any real or personal property owned by the Corporation shall flow solely to the Corporation. Upon the termination of this Agreement, all property owned by the Corporation shall be disposed of in accordance with Section 8(e) of this Agreement.

## 7. LEVEL OF SERVICE

Emergency services shall be provided at the same level to each of the Members. In the event of simultaneous emergencies within the Member municipalities whereby resources of the Corporation are taxed beyond its ability to render equal response, the EMS Director, or the highest ranking officer on duty, shall determine how to allocate the Corporation's resources and dispatch mutual aid as needed. The Board of Directors shall have authority to enter into mutual aid agreements with neighboring municipalities on behalf of the Members, and such agreements shall be administered by the EMS Director.

## 8. INDEMNIFICATION

The Corporation shall, to the full extent of its power to do so under law, hold harmless, indemnify and defend the Members, their municipal officers, agents, employees and volunteers, against any and all liability arising from the acts of the Corporation and any services provided by it. The Corporation shall also, to the full extent of its power to do so, defend and indemnify any and all present and former officers, directors, employees, and volunteers against expenses, including attorneys' fees, judgments, fines and amounts paid in settlement, actually and reasonably incurred by them in connection with any action, suit or proceeding in which they are made a party by reason of their being or having been an officer, director, employee or volunteer, except if such person shall be finally adjudicated in any action, suit or proceeding not to have acted in good faith in the reasonable belief that their action was in the best interest of the Corporation, or with respect to any criminal action or proceeding, where such person is finally adjudged to have committed unlawful conduct.

## 7. REMEDIES

**a. Failure to perform; Default.** If a Member fails to make any required payment or performance owed to the Corporation or another Member in a timely manner, the Corporation may provide written notice of default to the defaulting Member and its governing body. If the defaulting Member fails to cure such default within 30 days of delivery of such notice, the Corporation may pursue all remedies at law permitted to recover damages associated with the default, including recovery of costs and reasonable attorney's fees.

**b. Arbitration.** Any dispute between a Member and the Corporation or another Member regarding performance owed under this Agreement or as to the determination of any material rights or obligations or entitlements arising from or related to this Agreement, other than a dispute involving a failure to pay any payments required, shall be referred to the municipal officers of the Members concerned in the dispute and the Board. If the municipal officers and Board fail to resolve the dispute within thirty days from such referral, the Members and Corporation agree that any such dispute will be referred to binding arbitration in Androscoggin County, Maine to be conducted in accordance with this Section.

- i. Any Member concerned in the dispute may give written notice to each other party of its desire to submit the dispute to arbitration and designation of an arbitrator. Within 15 days of receiving such notice, each other party shall provide written notice to the Member invoking arbitration that designates its arbitrator. The designated arbitrators shall within 15 days after the appointment of the final arbitrator, in writing, designate an additional arbitrator. If a party fails to designate an arbitrator within the provided time, the arbitration may proceed without that arbitrator.
- ii. The arbitration shall be conducted pursuant to the then current rules of the American Arbitration Association for the conduct of commercial arbitration proceedings, except that if such rules shall conflict with the then current provisions of the laws of the State of Maine relating to arbitration, such conflict shall be governed by the then current provisions of the laws of the State of Maine relating to arbitration.
- iii. The arbitrator or arbitrators shall fix a time within which the parties shall submit the matter to them and shall render a decision within 10 days after receipt of the final

submission. The arbitrator or arbitrators may extend the timeline for such submissions upon a showing of good cause. The arbitrator or arbitrators may extend the time for rendering a decision for good reasons certified in writing to the parties.

- iv. The decision of the sole arbitrator or majority of arbitrators shall be taken as the arbitration decision. The arbitration decision shall be made in writing and delivered to each party to the dispute. The arbitrator or arbitrators shall determine the manner in which the expense of the arbitration shall be borne by the parties, except that each party shall pay the cost of its own counsel. Any award made in the arbitration decision shall be final except as otherwise provided by applicable law and the prevailing party may enter or seek an order of enforcement of any such award in any court with jurisdiction.
- v. No arbitrator or arbitration decision shall have the power or effect of amending or adding to this Agreement.
- vi. An arbitration decision rendered in accordance with this Section is binding and each party shall accept and abide by the decision.
- vii. No dispute or arbitration proceeding shall release, relieve, or interfere with the obligations or responsibilities of a Member or the Corporation under this Agreement.

## **8. EFFECTIVE DATE, DURATION, MODIFICATION, AND TERMINATION**

**a. Regional review.** In accordance with 30-A M.R.S. § 2342(6), this Agreement shall be filed for review with the Kennebec Valley Council of Governments and the Androscoggin Valley Council of Governments for review at least 30 days prior to the date of any legislative action by the legislative bodies of any Member.

**b. Effective date; Filing.** This Agreement shall take effect once the governing body of each Member has taken all appropriate action pursuant to 30-A M.R.S. § 2203, an authorized officer of each Member has signed on to the Agreement, the Agreement has been filed with the municipal clerk of each Member and the Secretary of State pursuant to 30-A M.R.S. § 2204, and the requisite State agency or official has approved the Agreement pursuant to 30-A M.R.S. § 2205. The Agreement shall have no effect unless the governing body of each Member has taken all appropriate actions under this Section by no later than July 1, 2022. Nothing herein shall preclude the admission of additional municipalities to this Agreement after July 1, 2022.

**c. Duration; Renewal.** The term of this Agreement shall begin upon its execution and continue in force for a period of 5 years. This Agreement shall automatically terminate at the expiration of its term. Prior to the expiration of any term, the Members may renew this Agreement for additional 5-year periods by an affirmative vote of each Member's governing body.

**d. Amendment.** The Board may recommend amendments to this Agreement by majority vote. To become effective, any such amendment must be approved within 60 days by an affirmative vote of the legislative body of each Member.

**e. Termination.** The Members may terminate or supersede this Agreement at any time by an affirmative vote of each Member's governing body. Upon a vote to terminate, the Board shall take all steps necessary and proper to wind-up the Corporation's operations, including the disposal of property, payment of outstanding debts, liabilities, and other obligations, and



disposition of Corporation's assets. Should all Members establish a successor interlocal corporation, all the Corporation's property shall flow to that entity. If this Agreement is otherwise terminated, the Board shall distribute all remaining Corporation property or proceeds from the sale thereof in proportion to Members' contributions to the Corporation or by an alternative method approved by a unanimous vote of the Board. If there is any disagreement regarding the appropriate distribution of assets, it shall be submitted to binding arbitration in accordance with Section 7.

APPROVED BY THE MEMBERS:

TOWN OF LISBON

\_\_\_\_\_  
By:  
Its:  
Duly Authorized

TOWN OF BOWDOIN

\_\_\_\_\_  
By:  
Its:  
Duly Authorized

TOWN OF BOWDOINHAM

\_\_\_\_\_  
By:  
Its:  
Duly Authorized

CONFIDENTIAL