

ACADIA DISPOSAL DISTRICT BYLAWS

<u>CONTENTS</u>	<u>page</u>
ARTICLE I: CREATION AND POWERS.....	2
1. CREATION.....	2
2. PURPOSE.....	2
3. COMPOSITION.....	2
4. DURATION.....	2
5. POWERS.....	2
6. RESPONSIBILITY TO ACCEPT SOLID WASTE.....	3
ARTICLE II: BOARD OF DIRECTORS.....	3
1. AUTHORITY.....	3
2. COMPOSITION.....	3
3. APPOINTMENT.....	4
4. ORGANIZATIONAL MEETING.....	4
5. REGULAR MEETINGS.....	4
6. EMERGENCY MEETINGS.....	4
7. QUORUM.....	4
8. VOTING.....	4
9. TERM.....	5
10. VACANCY.....	5
11. ANNUAL MEETING.....	5
12. COMPENSATION.....	5
ARTICLE III: OFFICERS.....	5
1. OFFICERS.....	5
2. CHAIRMAN.....	5
3. TREASURER.....	6
4. CLERK.....	6
5. RECORDS.....	7
6. AUDIT OF ACCOUNTS.....	7
7. INSURANCE.....	7
8. BONDING.....	7
9. VACANCY.....	7
ARTICLE IV: FISCAL AFFAIRS.....	7
1. FISCAL YEAR.....	7
2. ANNUAL REPORT.....	7
3. ANNUAL BUDGET.....	8
4. BUDGET ADOPTION AND APPROPRIATION.....	8
5. INITIAL CONTRIBUTION.....	8
6. MONTHLY CONTRIBUTION.....	9
7. LIMITATIONS AND APPROPRIATIONS.....	9
8. CAPITAL EXPENDITURES.....	9
9. RESERVE FUND.....	10
ARTICLE V: MISCELLANEOUS.....	10
1. DEFINITIONS.....	10
2. AMENDMENTS TO BYLAWS.....	10
3. PLAN OF DISSOLUTION.....	10
4. WITHDRAWAL OF MEMBERSHIP.....	11
5. ADMISSION OF NEW MEMBER MUNICIPALITY.....	11
6. SEVERABILITY.....	11

ARTICLE I: CREATION AND POWERS

1. Creation.

The Acadia Disposal District (hereinafter referred to as the “District”) was lawfully organized on _____ by means of an Interlocal Agreement of same date between the member municipalities. The terms of the Interlocal Agreement shall supercede the terms of these By-laws if found to be contradictory.

2. Purpose.

The purpose of this Agreement is to provide for the cost-effective, environmentally friendly, efficient and lawful management, disposal and recycling of waste materials.

3. Composition.

The District shall be composed of, and includes all of the lands and residents within the municipalities of Bar Harbor, Southwest Harbor, Tremont, Trenton, Mount Desert, Cranberry Isles, Lamoine and such other municipalities that are admitted to the District as herein provided. The municipalities composing the District shall constitute its members and are herein designated “member municipalities.”

4. Duration.

The District shall continue as a body politic and corporate unless and until dissolved according to law and the procedures herein set forth.

5. Powers.

Except as otherwise provided or limited herein, the District shall have all of the powers provided by law, including, but not limited to, the following powers:

- a. To promote cooperative arrangements and coordinated action among its member municipalities;
- b. To serve an advisory role to its member municipalities and other public agencies within its member municipalities on solid waste issues;
- c. To establish a budget and determine the prorated contributions of member municipalities for the expenses of the District;
- d. To appropriate and expend money;
- e. To establish reserve funds for improvements and furtherance of its purposes;
- f. To enact and enforce any and all necessary and desirable rules and regulations for the orderly conduct of the activities of the District and for the carrying out of purposes in the District;

- g. To accept and administer gifts, grants, and bequests in trust or otherwise for the purposes of the District;
- h. To sue and be sued;
- i. To contract with other persons, corporations, municipalities, organizations or solid waste contractors as may be necessary;
- j. To issue, in order to finance any facilities, revenue obligation securities issued in accordance with 10 M.R.S.A. §1061 et seq. and any other bonds, notes or debt obligations that municipalities are authorized to issue.
- k. To negotiate and receive loans and grants.
- l. To apply for and obtain all local, state and federal permits or licenses necessary, to serve its purpose.
- m. To do any or all other things necessary or incidental for the exercise of its powers to the accomplishment of the purposes of the District.

6. Responsibility to Accept Solid Waste.

The District becomes responsible to provide a system for solid waste disposal when the Board of Directors declares the disposal system operational. The District shall provide a system for disposal of solid waste generated by residential and commercial activities within the member municipalities. The District may provide for the disposal of any or all demolition and construction waste or yard waste from any member municipality or a private entity for the disposal of solid waste generated within or outside the boundaries of the District. The District may provide for the disposal of any hazardous waste generated from District operations. The District may refuse to accept any material which does not meet the definition of solid waste as set forth in 38 M.R.S.A. § 1303-C from residential, commercial or industrial activities, or does not conform to the rules and regulations of the District.

ARTICLE II: BOARD OF DIRECTORS

1. Authority.

The power and authority of the District and administration and general supervision of all of the affairs thereof shall be vested in a governing body known as the Board of Directors, except as specifically provided otherwise in these Bylaws or by law.

2. Composition.

Each member municipality will have representation in the District through its Directors, as follows:

Each member municipality shall have one(1) Director.

3. Appointment.

Directors shall be appointed by the municipal officers of the municipality which they are to represent. Appointments shall be by vote of Municipal Officers, attested to by the Municipal Clerk and presented to the Clerk of the District.

4. Organizational Meeting.

The Directors shall call an initial organizational meeting at which they shall organize by election a Chairman who shall hold office for one year and until his successor is duly elected and qualified. For the election of Chairman, each Director shall cast one vote regardless of the population of the municipality s/he represents. A Treasurer and Clerk shall also be designated by the Board of Directors, either by election from the Board's members consistent with this paragraph and Article III of these by-laws or by appointment of a non-member of the Board. Prior to the election of the officers, each Director shall be sworn to the faithful performance of his duties by the respective Municipal Clerk. After the original organizational meeting, the Board of Directors shall meet monthly.

5. Regular Meetings.

Regular meetings of the Board of Directors shall be held monthly at a time and place to be determined by the Board of Directors. All meetings will be conducted in accordance with Robert Rules of Order, latest edition. Notice shall be given at least three (3) days prior to any regular or special meeting of the Board of Directors; Such notice shall meet the requirements of Maine's Freedom of Access law. Notice of meetings of the Board of Directors shall include the place, date, time and agenda of the meeting.

6. Emergency Meetings.

Emergency meetings of the Board of Directors may be called by the Chairman or upon the request of any member municipality. Notifications shall be made as per the requirement of 1 M.R.S.A. § 406.

7. Quorum.

A quorum is a simple majority of Directors.

8. Voting.

Each Director shall be entitled to one vote. Unless otherwise provided by the terms of the Acadia Disposal District Interlocal Agreement or these by-laws, all votes shall be by a simple majority of Directors present.

9. Term.

The initial Director's terms shall consist of: one-third of Directors shall hold office for a one-year term, one-third shall hold office for a two-year term, and the remaining Directors shall hold office for a three-year term. Thereafter, all Directors shall hold office for three years and until their successors are duly appointed and qualified. Any representative may be appointed to successive terms without limit.

10. Vacancy.

Any vacancy on the Board of Directors shall be filled within a reasonable period of time after the vacancy occurs by appointment of the Municipal Officers of the Municipality, which s/he is to represent. An appointee to a vacancy shall serve until the expiration of the term of the representative to whose position the appointment was made and may be reappointed.

11. Annual Meeting.

The annual meeting of the District shall be the first regular meeting in February.

12. Compensation.

The Directors shall receive \$25.00 per meeting attended plus reimbursement of usual and customary expenses as approved by the Directors. This compensation shall be paid quarterly.

ARTICLE III: OFFICERS

1. Officers.

The officers of the District shall be a Chairman, a Treasurer and a Clerk, each of whom shall hold office for one year and until his successor is duly elected and qualified. For the election of Chairman, Treasurer and Clerk, each Director shall cast one vote regardless of the population of the municipality, which s/he represents. No person may hold more than one office at one time, except that the Clerk and Treasurer may be the same person, and unless there are not enough eligible and appointed Directors to have different Directors holding each office. The Treasurer and Clerk need not be a Director and may be appointed by the Board of Directors from the general public. The Chairman, Treasurer and Clerk may receive such compensation for serving in these capacities, as the Board of Directors shall determine. Such compensation shall be in addition to the compensation payable to them as Directors.

2. Chairman.

The Chairman of the Board of Directors shall be the Chief Executive Officer of the District unless the Board of Directors has employed a Chief Executive Officer. The Chairman shall preside at all meetings of the Board of Directors and shall make and sign

all contracts on behalf of the District upon approval by the Board of Directors. The Chairman shall perform all the duties incident to the position and office. During the absence or inability of the Chairman to render or perform his duties or exercise his powers, then the Board of Directors shall elect from among its members an acting Chairman. The Acting Chairman shall have all of the powers and responsibilities of the Chairman.

3. Treasurer.

The Treasurer shall have the charge and custody of the funds of the District. S/He shall be the disbursing officer of the District, and when authorized by the Board of Directors, shall pay any bill of the District. The Treasurer shall keep a record of every note or bond issued by the District and of every payment thereon and interest and, if coupons are taken up, shall cancel and preserve them. The Treasurer shall keep correct books and accounts of all the business transactions of the District and such other books and accounts as the Board of Directors may require. The Treasurer shall render a statement of the condition of the finances of the District at each regular meeting of the Board of Directors and at such other times that shall be required. The Treasurer shall perform all of the duties pertaining to the office of Treasurer of a body politic and corporate. The Treasurer shall collect the rates, tolls, assessments, rents, tipping fees, penalties, transportation charges and other charges established by the District and those charges shall be committed to him/her. The Treasurer, with the approval of the Board of Directors, may delegate approved responsibilities to District employees. The Board of Directors may direct the Treasurer, after demand for payment, to sue in the name of the District in a civil action for any charge due which is unpaid in any court of competent jurisdiction. Furthermore, the Treasurer may order the termination of service for non-payment of any amount owed to the District.

4. Clerk.

The Clerk shall have the exclusive charge and custody of the public records of the District and hold its seal. The Clerk shall record all votes and proceedings of the District including meetings of the Board of Directors and shall cause to be posted and published all notices. The Clerk shall prepare the Annual Report of the activities of the Board of Directors, and cause it to be distributed to the member municipalities. The Clerk shall also prepare and distribute any resolutions or regulations of the Board of Directors as well as any other reports required by the laws of the State of Maine. The Clerk shall perform all of the duties and functions incident to the office of Secretary or Clerk of a body corporate. The Clerk, with the approval of the Board of Directors, may delegate approved responsibilities to District employees. In the event the Clerk is absent or otherwise unable to serve as Clerk, then the Board of Directors shall elect from its members an acting Clerk. The Acting Clerk shall have all the powers and responsibilities of the Clerk.

5. Records.

Every citizen, during the regular business hours of the District, has the right to inspect all public records, including the Minutes of the meetings of the Board of Directors and to make, at no cost to the District, memoranda, abstracts, photographic or photo static copies of records or minutes so inspected.

6. Audit of Accounts.

Each year the Board of Directors shall appoint a certified public accounting firm which shall have access to all necessary papers, books, and records so that the authorized agents of the certified public accounting firm can make an audit of the accounts of the District. Upon completion of the audit, a report shall be made to the Chairman of the Board of Directors and a copy of such shall be sent to the municipal officers of each member municipality.

7. Insurance.

The District shall provide any and all insurance approved by the Board of Directors.

8. Bonding.

Each Director and all officers and employees of the District shall be covered by a bond purchased by the District in such sum and with such sureties as the Board of Directors shall approve.

9. Vacancy.

Any vacancy in an office shall be filled within a reasonable period of time after the vacancy occurs by majority vote of the Directors. Each Director shall cast one vote. Any person elected to fill a vacancy in an office shall serve the unexpired portion of the term for the office being filled.

ARTICLE IV: FISCAL AFFAIRS

1. Fiscal Year.

The fiscal year of the District shall commence on January 1 and end on December 31 of each year.

2. Annual Report.

Within a reasonable time after the close of each fiscal year, the Board of Directors shall cause an annual report to be prepared and submitted to each member municipality.

The annual report shall outline the activities of the District during said fiscal year, and include a disclosure of the financial activities of the District, including income, expense

and capital transactions, reported in a fashion consistent with a government accounting and finance reporting.

3. Annual Budget.

The Directors shall prepare an annual budget for each fiscal year of the District, itemizing revenues and expenses. Before adopting the budget, the Directors shall make copies of the draft budget available for review and comment by the municipal officers of the Member Municipalities and shall hold a public hearing.

The Proposed Budget shall include exact figures or reasonably detailed estimates of:

- a. Deficits or surpluses from prior fiscal year(s);
- b. Anticipated expenditures for the administration of the District;
- c. Anticipated expenditures for the operation and maintenance of any District facilities;
- d. Costs of debt service;
- e. Payments due on long term contracts;
- f. Payments due to any reserve funds for the retirement of debts;
- g. Payments due to any capital reserve fund;
- h. Anticipated revenues from the schedule of charges established by the Board of Directors;
- i. The necessary appropriations to operate and carry out the District's functions for the next fiscal year;
- j. Anticipated rate per ton, estimated annual MSW tonnage and estimated annual contribution for each member municipality;
- k. Such other estimates as the Board of Directors shall deem necessary.

The Board of Directors shall set a schedule of annual dates upon which the proposed budget shall be submitted to the municipal officers of each member municipality.

4. Budget Adoption and Appropriation.

On an annual date fixed by the Board of Directors, the Board of Directors shall adopt a budget and appropriate sums, which it deems necessary to operate and carry out the District's functions for the fiscal year.

5. Initial Contribution.

The member municipalities shall make a combined initial contribution of \$5,000 apportioned by the Directors to cover the District's startup costs.

6. Monthly Contribution.

The monthly contribution from each Member Municipality shall be its proportional share of the difference between revenues and expenses for the preceding month. Each year, a formula determining the proportion due from each Member Municipality will be determined by the Board of Directors. In the first fiscal year, the share provided by each Member Municipality shall be in proportion to its share of the total tonnage of solid waste generated by all Member Municipalities during the preceding calendar year, based on the best available documentation.

If any Member Municipality does not pay any portion of any monthly contribution when due, each other member municipality may be required by the Directors to pay an increased monthly contribution, proportionate to its Proportional Contribution, sufficient to collectively cover all monies unpaid by the defaulting municipality. The defaulting municipality shall remain obligated to pay its monthly contributions together with interest from the date of default at a rate of 5% per annum higher than the highest interest rate on any outstanding bonds, notes or other evidences of indebtedness of the District, or at a rate set by the Board of Directors if there is no indebtedness, together with all costs of collection including reasonable attorney's fees. To the extent of any subsequent payment by, or collection from the defaulting municipality, the non-defaulting municipalities shall each be reimbursed on a proportionate basis for all amounts so paid on behalf of the defaulting municipality together with interest at the aforesaid rate, providing that the total amount so reimbursed shall not exceed amounts actually collected from the defaulting municipality.

7. Limitations and Appropriations.

Actions or resolutions of the Board of Directors for an annual appropriation in any year shall not cease to be operative at the end of the fiscal year for which they were adopted except as otherwise provided by the laws of the State of Maine. Appropriations made by the Board of Directors for various estimates of the budget as defined in this Article shall be expended only for such estimates, but by a majority vote of the Board of Directors the budget may be amended from time to time to transfer funds between and among such estimates, except as otherwise limited herein. Any balance left or unexpended in any such budget estimate at the end of the fiscal year may be returned to the general fund of the District to be applied to next year's budget or transferred to a reserve fund account. The amount of any deficit at the end of the fiscal year shall be included in and paid out of the operating budget and appropriations in the next fiscal year.

8. Capital Expenditures.

A two-thirds majority of all Directors present must approve any capital expenditure over \$10,000.

9. Reserve Fund.

The Board of Directors may establish a credit reserve fund by authorizing the transfer of unencumbered surplus funds, to be applied in periods of financial shortfall to assist in continuing normal operations without increasing monthly charges.

ARTICLE V: MISCELLANEOUS

1. Definitions.

Unless otherwise specified herein, terms used in these Bylaws, to the extent they have meanings peculiar to the disposal of solid waste, are defined pursuant to 38 M.R.S.A. § 1701, et. seq.

2. Amendments to Bylaws.

Prior to amending these Bylaws, the Board of Directors shall submit to the Municipal Officers of each municipality the proposed amendments for review at least sixty (60) days prior to a public hearing for the proposed amendments. The public hearing for the proposed amendment of the District Bylaws shall be held to receive comments from the municipal officers of the member municipalities and all other interested persons regarding the proposed amendments. The Board of Directors shall consider all comments received and make such changes to the proposed Bylaws amendments, as it deems advisable.

3. Plan of Dissolution.

In the event of dissolution of the District, the Board of Directors shall wind up the affairs of the District and liquidate the District's assets and liabilities according to a Plan of Dissolution to include:

- a. A description and evaluation of all assets of the District;
- b. A schedule of creditors, together with the amount owed each creditor. There shall be included as part of the schedule any obligations existing under long term contracts;
- c. A description of the distribution of all assets and liabilities proportionately among the member municipalities in accordance with the formula relative to the share of liability of each member municipality for monthly contributions and fees;
- d. A schedule of necessary payments to be made by each member municipality to pay and discharge all debts, obligations and liabilities of the District;
- e. A description of any liability or obligations assumed and paid for by member municipalities;

- f. A provision for the disposition of any assets remaining after the satisfaction of all debts, obligations and liabilities.

4. Withdrawal of Membership.

A member municipality may withdraw its membership in the District by the procedure set forth in the Interlocal Agreement.

5. Admission of New Member Municipality.

The Board of Directors, by an affirmative vote of two-thirds (2/3) of its Directors, may authorize the inclusion of additional member municipalities in the District upon the terms and conditions as the Board, in its sole discretion, determines to be fair, reasonable and in the best interest of the District, except that on proper application any municipality that is host to a waste facility of the District shall be admitted on equal terms with existing members, provided that the new member municipality assumes or becomes responsible for a proportionate share of liabilities of the District in a manner similar to that of existing municipalities. The legislative body of any non-member municipality that desires to be admitted to the District shall make application for admission to the Board of Directors of the District. The Directors shall determine the effects and impact that are likely to occur if the municipality is admitted and shall also specify any terms and conditions, including, but not limited to, financial obligations upon which the admission is predicated. Such financial obligations may include a proportional share of all capital expenditures incurred by the District to date. The vote, in the affirmative, must be certified by the Clerk of that municipality to the Board of Directors and to the Agency. Upon satisfactory performance of the terms and conditions of admission, the municipality shall, by resolution of the Board of Directors, become and thereafter be a member municipality of the District. Upon admission of a municipality to the District, the provisions of Article II, paragraph 2 of the District Bylaws determine the number of votes to be cast by the Director or Directors representing their municipality.

6. Severability.

Should any court of competent jurisdiction judge any term, phrase, clause, sentence or provision of these Bylaws to be invalid, illegal or unenforceable in any respect, such judgment shall not affect the validity, legality or enforceability of these Bylaws as a whole or any other part of these Bylaws.