

# A Guide to Forming Road Associations

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# Statutory Road Associations

## Appendix A: Sample Application to Notary Public

**APPLICATION  
TO  
NOTARY PUBLIC  
TO CALL A MEETING OF THE  
OWNERS OF LAKE DRIVE, NOWHERE, MAINE  
A PRIVATE WAY**

The following three (3) owners request that you call a meeting to be held July 10, 2009 at the home of John and Mary Doe on Lake Drive at 10:30 a.m. for the purpose of calling a meeting of the owners of parcels of land benefited by Lake Drive and to use the attached Notice of Meeting and Warrant to call the meeting pursuant to 23 M.R.S.A. §3101 to 3106.

Dated: June 1, 2009

By \_\_\_\_\_  
Print Name:  
Owner of \_\_\_\_\_ Lake Drive

Dated: June 1, 2009

By \_\_\_\_\_  
Print Name:  
Owner of \_\_\_\_\_ Lake Drive

Dated: June 1, 2009

By \_\_\_\_\_  
Print Name:  
Owner of \_\_\_\_\_ Lake Drive

## **Appendix B: Sample Notice of Meeting Warrant**

### **LAKE DRIVE ASSOCIATION NOTICE OF MEETING WARRANT**

TO: Property owners and occupants Lake Drive, Nowhere, Kennebec County, Maine

Greetings,

You are hereby notified by the undersigned notary pursuant to 23 M.R.S.A. §3101 to 3106 that there will be a meeting in John and Mary Doe's home on Lake Drive on Saturday, July 10, 2009 at 10:30 a.m. to act on the following articles for the maintenance of Lake Drive for the twelve month period from August 1, 2009 to July 31, 2009.

#### **Article 1:**

To elect a moderator for the meeting and see what rules of procedure the owners will choose to conduct the meeting.

#### **Article 2:**

To see if the owners will elect a Road Commissioner/President for a one (1) year term whose duties shall be: to determine what repairs and maintenance are needed for the upkeep of said roads, to make recommendations to the owners and Board of Directors, and to perform such maintenance and duties as the owners' or Board of Directors directs and/or as authorized by 23 M.R.S.A. §3101 to 3106, and to serve on the Board of Directors.

#### **Article 3:**

To see if the owners will elect a Secretary/Treasurer for a one (1) year term whose duties shall be: to record and maintain the administrative and financial records of said organization, and to perform such duties as are determined by the owners or Board of Directors, and to serve on the Board of Directors.

#### **Article 4:**

To see if the owners will elect a Director for a one (1) year term whose duties will be to serve on the Board of Directors with the Road Commissioner/President and Secretary/Treasurer which shall manage the affairs of the Association in accordance with the policies approved by the owners and to respond to emergencies as they occur.

#### **Article 5:**

To see if the owners will approve and accept the proposed budget which is attached hereto, including the assessment structure, for the fiscal year of August 1, 2009 to July 31, 2009.

#### **Article 6:**

To see if the owners will approve September 30, 2009 as the deadline for the collection of the assessments for the 2009-2010 fiscal year and approve a late payment interest penalty of eight percent (8%) per annum on all assessments not paid by November 30, 2009.

**Article 7:**

To see if the owners will authorize a contract for making repairs and maintaining the road.

**Article 8:**

To see if the owners will determine the manner of calling future meetings.

**Article 9:**

To nominate candidates from the floor and to elect, by written ballot, a Road Commissioner/President, a Secretary/Treasurer and a Director to serve for the next fiscal year beginning August 1, 2009 and to be the Board of Directors.

Dated: June 3, 2009

By: \_\_\_\_\_  
Commissioner/President

**Note:**

*For the first meeting this needs to be signed by a Notary. The Road Commissioner/President can sign it for all future meetings.*

*This notice must provide instruction for voting by proxy or by absentee ballot.*

*If bylaws are to be adopted there will need to be an article for that purpose and the proposed bylaws must be sent with the notice.*

## Appendix C: Sample Meeting Minutes

### LAKE DRIVE ASSOCIATION MINUTES OF ANNUAL MEETING JULY 10, 2009

The meeting of the Lake Drive Association was called pursuant to Title 23, Maine Revised Statutes Annotated, §3101 to §3106 by a Notice including a Warrant with the Articles to be voted upon, a copy of which is attached.

The meeting was Called to Order at approximately 10:40 a.m. on July 10, 2009 by Mr. John Doe.

After an explanation by Mr. John Doe of how a road association works and what the law for road associations in Maine is, a Motion was made to elect Mr. Doe Moderator and to accept the rules of procedure which was a hand-out. A copy is attached. The Motion was seconded and was **passed by a vote by a show of hands.**

The Moderator then read **Article 2**, and a Motion was made and seconded to accept Article 2 as it is written. After discussion and questions, the Moderator called for a vote by a show of hands and **declared that Article 2 passed.**

The Moderator then read **Article 3**, and a Motion was made and seconded to accept Article 3 as it is written. After discussion and questions, the Moderator called for a vote by a show of hands and **declared that Article 3 passed.**

The Moderator then read **Article 4**, and a Motion was made and seconded to accept Article 4 as it is written. After discussion and questions, the Moderator called for a vote by a show of hands and **declared that Article 4 passed.**

The Moderator read **Article 5** and a Motion was made and seconded to adopt an annual budget for \$9,120.00. After discussion, the Moderator called for a vote and declared that the **Motion passed by a vote by a show of hands.** A copy of the budget is attached. A motion was also made and seconded that the assessment for 2009/2010 would be \$216.23 for each dwelling unit, \$100.00 for each lot that does not have any dwelling units on it. After discussion, the **Motion passed unanimously by a vote by a show of hands.**

The Moderator read **Article 6** and a Motion was made and seconded to accept Article 6 as it is written, but to change the dates to March 1, 2010 for the collection of assessments and April 1, 2010 for the beginning of interest for late payments. After discussion, the Moderator called for a vote by a show of hands and declared that the **Article passed with the changed dates.**

The Moderator read **Article 7** and a Motion was made and seconded to authorize the proposed contract with John Smith. After discussion the **Motion passed by a vote by a show of hands.**

The Moderator read **Article 8** and a Motion was made and seconded that all future meetings of the Lake Drive Association would be called with a 30-day written notice by regular mail to include an Agenda and proposed budget. After discussion, the **Motion passed by a vote by a show of hands.**

A Motion was then made that Annual Meetings of the Association would be held on the third Saturday in July. After discussion, that **Motion passed by a vote by a show of hands.**

After discussion concerning the collection of late payments, a Motion was made and seconded that there would be no court cases to collect unpaid assessments and/or there would be no recording of delinquent assessment payments in the Registry of Deeds without a two-thirds vote of the members present and voting at an Annual Meeting. After discussion of the motion, the

**Motion passed by a vote by a show of hands.**

The Moderator read **Article 9** for the election of a road commissioner/president, a secretary/treasurer, and a director to serve until August 1, 2010 and to constitute the Board of Directors. After nominations, **John Doe was elected road commissioner/president; Mary Doe was elected secretary/treasurer**, and **Bob Smith was elected director**.

There being no further business to conduct on the Warrant, the meeting was adjourned.

Respectfully submitted,

Moderator

71009 Minutes

## Appendix D: Sample Statutory Road Association Bylaws

*Note: These bylaws are only a sample. If you have questions about bylaws, you should consult with an attorney.*

### BYLAWS OF THE SAMPLE ROAD ASSOCIATION

ADOPTED 30 August 2009

The name of the Association shall be **Sample Road Association**, and said Association shall be located in **Nowhere, Maine**, and is being formed as a Statutory Road Association under Maine Law.

The following provisions shall constitute the Bylaws of this Association, established hereby, to wit:

#### **Section 1. Composition, Powers and Duties of the Board of Directors.**

The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things except as by law or by this document may not be delegated to the Board of Directors by the property owners. A property owner is defined as a person who, or entity that, owns property that is accessed via a private way in **Nowhere, Maine** known as **Sample Road** (hereinafter called the Common Element).

The Board of Directors shall be composed of \_\_\_# Officers and \_\_\_# Directors. The Officers shall be a President, Vice President, Secretary, Treasurer, Road Commissioner/president, and Assistant Road Commissioner. The powers and duties of the Board of Directors shall include, but shall not be limited to, the following:

1. Operation, care, upkeep, and maintenance of the Common Element.
2. Determination of the common expenses required for the affairs of the Association, including, without limitation, the operation and maintenance of the Association.
3. Collection of the assessed charges from the property owners.
4. Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Common elements.
5. Opening of bank accounts on behalf of the Association and designating the signatories required therefore.
6. Obtaining insurance for the Association, pursuant to the provisions hereof.
7. The Board of Directors shall have the power to enforce obligations of property owners; to allocate income and expenses; and to do anything and everything else necessary and proper for the sound management of the Association.
8. Enter into contracts for the maintenance, upkeep, and repair of the Common Element.
9. Posting the road to ensure the safety of property owners and their guests.

#### **Section 2. Expenses, Profits and Funds.**

- A. Each property owner shall be liable for expenses of the Association according to his respective assessment which assessment may not exceed 1% of an individual's property assessment in any calendar year. The Board of Directors may, to such extent as they have been directed by vote of the majority of the property owners attending any meeting, set aside funds of the Association as reserve or contingent funds and may use the funds so set aside for reduction of indebtedness or other lawful capital purpose, or, subject to the provisions of the following Section 4, for repair, rebuilding or restoration of the Association roadways, or for improvements thereto.
- B. At least thirty (30) days prior to each annual anniversary of the adoption date of these Bylaws, the Board of Directors shall estimate the expenses expected to be incurred during the next fiscal year, together with a reasonable provision for contingencies and reserves, and after taking into account any undistributed funds from prior years, shall determine the assessment to be made for such fiscal year. If after a meeting of the property owners, it is voted to continue the Association for an additional year, and an assessment is approved, then the Board of Directors shall promptly render statements to the property owners for

their respective shares of such assessment. Said assessment shall be paid to the Association no later than 30 September immediately following the annual meeting. Assessments not paid within thirty (30) days of 30 September will be delinquent. In the event of default by any property owner in paying the annual assessment, such charge shall be collected pursuant to Maine law, but only after a majority vote of the Board of Directors. Property owners delinquent in the payment of their assessment lose their right to vote at the annual meeting or any special meeting called by the Board of Directors.

In the event that the Board of Directors shall determine during the year that the assessment so made is less than the expenses actually incurred, or in the reasonable opinion of the Board of Directors, likely to be incurred, the Board of Directors shall make a supplemental assessment or assessments and render statements therefore in the manner aforesaid, and shall call a special meeting of the property owners to vote upon the same, pursuant to the terms of these Bylaws. Upon obtaining a majority vote of the attending property owners in favor of the same, such statements shall be payable and take effect as aforesaid.

- C. The Board of Directors shall expend funds only for Association expenses.

### **Section 3. Insurance.**

- A. The Board of Directors shall obtain and maintain, to the extent available, a policy of liability insurance for the benefit and protection of the Association Officers, Directors and of all the property owners, naming this Association as the insured. This policy shall protect the Officers, Directors and property owners from liability arising from the usage of the roads of the Association by any person or persons, but said policy will not insure for the protection of any property owner for any liabilities incurred upon their property as to which it shall be the separate responsibility of the property owners to insure. Such insurance shall, unless the same is not obtainable, be maintained in the amount equal to one million dollars (\$1,000,000).
- B. Any liability policy shall, unless the same is not obtainable, provide:
  - 1. that such policy may not be canceled, terminated or substantially modified without at least thirty (30) days notice to the Association;
  - 2. for waiver of subrogation as to any claims against the Association, the Officers, Directors, agents, employees, the property owners and their respective employees, agents and guests;
  - 3. for waivers of any defense based upon the conduct of any insured; and
  - 4. in substance and effect that the insurer shall not be entitled to contribution as against any casualty insurance, which may be purchased separately by property owners.
- C. The cost of all such insurance obtained and maintained by the Board of Directors pursuant to the provisions of this Section 3 shall be an Association expense.
- D. The members of the Board of Directors shall not be liable to the property owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The property owners comprising the association shall indemnify and hold harmless each of the Officers and Directors against all contractual liability to others arising out of contracts made by members of the Board of Directors on behalf of the Association, unless any such contract shall have been made in bad faith or contrary to the provision of these Bylaws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association.

### **Section 4. Rebuilding and Restoration; Improvements.**

- A. In the event of any casualty loss to the Common Element, the Board of Directors shall proceed, without notice to the property owners, with the necessary repairs, rebuilding, or restoration.
- B. A vote by the majority of the property owners present at any meeting of the Association properly called under these Bylaws may agree to make an improvement to the Common Elements and assess the cost thereof to all property owners as a common expense.



## **Section 5. Meetings.**

- A. The Board of Directors shall meet annually on the date of (and immediately following) the annual meeting of the property owners. Other meetings may be called by and in such other manner as any member of the Board of Directors may establish, provided that written notice of each meeting stating the place, day and hour thereof, shall be given at least two (2) weeks before such meeting to each member of the Board of Directors. One half (1/2) of the number of members of the Board of Directors shall constitute a quorum at all meetings, and such meetings shall be conducted in accordance with Roberts Rules.
- B. That commencing with the calendar year 2009, there shall be an annual meeting of the property owners on the third Saturday in August in each year, at 10 A.M., at the Association premises or at such other reasonable place and time as designated by the Board of Directors by written notice given to the property owners at least thirty (30) days prior to the date so designated. Special meetings of the property owners may be called by the Board of Directors or by the property owners upon the written request of thirty-three percent (33%) of the property owners of the Association. Written notice of any such meeting designating the place, day, hour thereof shall be given by the Board of Directors to the property owners at least thirty (30) days prior to the date so designated. The Board of Directors shall appoint a person to act as moderator for the annual meeting of property owners. At the annual meeting of the property owners, the Board of Directors shall submit written reports of the management and finances of the Association. At any meeting at which the Board of Directors proposes to submit to the property owners any matter with respect to which approval of or action by the property owners is necessary or appropriate, the notice of such meeting shall so state and reasonably specify such matter.
- C. At the annual meeting to vote for a continued Association, the property owners shall have one vote for each property, and a majority of the property owners present at such a meeting shall prevail. They shall vote for officers and directors. These individuals must be property owners within the Association area, and shall all be considered members of the Board of Directors.
- D. The duties of the President, and in the absence of the president, the Vice President, shall include the management of the Association as approved by the property owners at the annual meeting and within the guidelines of these Bylaws.
- E. The duties of the Secretary shall be to record and maintain the records of the Association and to perform such duties as are determined by the property owners at the annual meeting, or by the Board of Directors.
- F. The duties of the Treasurer shall be to record and maintain the financial records of the Association, and to perform such duties as are determined by the property owners at the annual meeting, or by the Board of Directors.
- G. The duties of the Road Commissioner/President shall be: to determine what repairs and maintenance are needed for upkeep of the Common Element, and to make recommendations to the Board of Directors and the property owners, and to perform such maintenance and repairs as the property owners or the Board of Directors directs and/or as authorized by 23 M.R.S.A. Sections 3101 to 3106, and to collect unpaid assessments on behalf of the association as set forth in Section 3103.
- H. The duties of the Assistant Road Commissioner shall be to assist the Road Commissioner/President in his duties, and to act as Road Commissioner/President during prolonged absence or unavailability of the Road Commissioner/President.
- I. The duties of the Directors are to assist the Officers and the Board of Directors in carrying out their duties and as directed by the property owners at the annual meeting.

Any vacancy of any of the positions of the Board of Directors shall be filled by a vote of the remaining members of said committee, and this (these) appointment(s) shall be valid for the remainder of the term for said position.

The property owners may vote on any other matter of the Association including but not limited to: (1) the level of maintenance requested, (2) the level of repairs to be made, and (3) any capital improvements made to the roadways.

**Section 6. Notices to Property Owners.**

Every notice to any property owner required under the provisions hereof, or which may be deemed by the Board of Directors necessary or desirable in connection with the execution of the Association created hereby, or which may be ordered in any judicial proceeding, shall be deemed sufficient and binding if a written or printed copy of such notice shall be given by one or more of the members of the Board of Directors to such property owner at his address as it appears upon the tax records of the Town, at least thirty (30) days prior to the date fixed for the happening of the matter, thing or event of which such notice is given, or such longer period of time as may be required by the specific terms of this instrument. Property owners may waive notice by duly executing an appropriate waiver of notice.

**Section 7. Inspection of Books; Reports to Property Owners.**

Books, accounts and records of the Association shall be open to inspection to any one or more of the members of the Board of Directors, or any property owner(s) at all reasonable times. The Board of Directors at the annual meeting shall submit to property owners a report of the operations of the Board of Directors for the previous fiscal year, which shall include financial statements in such summary form and in such detail as the Board of Directors deem proper. Any person who has been furnished with such report and shall have failed to object thereto by notice in writing to any member of the Board of Directors, given by registered or certified mail within a period of one (1) month of the date of receipt of such report, shall be deemed to have assented thereto.

**Section 8. Checks, Notes, Drafts and Other Instruments.**

Checks, notes, drafts and other instruments for the payment of money drawn or endorsed in the names of the Board of Directors or of the association may be signed by any one of two (2) members of the Board of Directors, or by any person or persons (who may be one of the Board of Directors) to whom such power may at any time or from time to time be designated by not less than a majority of the Board of Directors.

**Section 9. Fiscal Year.**

The fiscal year of the Association shall be from 1 September through 31 August of the succeeding year.

**Section 10. Proxy and/or Absentee Voting.**

The Board of Directors shall establish proxy and/or absentee voting for any forthcoming Association meeting, and shall establish parameters for said proxy and/or absentee voting, including but not limited to, appointment of voting member for any property, method of proxy and/or absentee voting, and time frame for said proxy and/or absentee vote. In any event, the proxy and/or absentee vote shall be held to the same standards as stated within these Bylaws.

## Appendix E: Sample Registry Notice of Non-payment of Road Association Assessment

### NOTICE OF NON-PAYMENT OF ROAD ASSOCIATION ASSESSMENT

NOW COMES \_\_\_\_\_, Road Commissioner of the \_\_\_\_\_ Association of \_\_\_\_\_, Maine and after being duly sworn and under oath, states that the following is true based upon his own personal knowledge and the records of the Association.

1. I am Road Commissioner of the \_\_\_\_\_ Association of \_\_\_\_\_, Maine.
2. The \_\_\_\_\_ Association is a road association created and existing pursuant to Maine law at 23 M.R.S.A. §3101 to 3106 and an annual meeting was properly called and held \_\_\_\_\_, 200\_\_ for a twelve-month period from \_\_\_\_\_, 200\_\_ to \_\_\_\_\_, 200\_\_ for the purposes of maintaining \_\_\_\_\_ and \_\_\_\_\_ in \_\_\_\_\_, Maine and the assessment of maintenance fees on the property owners on said roads as provided for in said State law.
3. \_\_\_\_\_ and \_\_\_\_\_ are owners of land on \_\_\_\_\_ pursuant to a Deed to them dated \_\_\_\_\_ and which is recorded in the \_\_\_\_\_ County Registry of Deeds in Book \_\_\_\_\_, Page \_\_\_\_\_.
4. Said owners have refused, and continue to refuse, to pay the assessments of \$\_\_\_\_\_ for the year beginning \_\_\_\_\_, 200\_\_ and ending \_\_\_\_\_, 200\_\_\_\_, which was due to be paid by \_\_\_\_\_, 200\_\_.
5. Said owners were given written notice on \_\_\_\_\_, 200\_ of the intention to record this notice of claim if the debt was not paid within 20 days of the date of the written notice. This written notice to cure was sent at least 30 days before the recording of this notice of claim.
6. The \_\_\_\_\_ Association, pursuant to 23 M.R.S.A. §3101(5), has the authority and standing to enforce the payment of and to collect the assessment.
7. Notice is hereby given that the said current owners and any new owners of the lot, if said assessment, interest and costs are not paid are subject to the rights of the Association to seek full payment of the unpaid assessments, interest and costs, which is a debt that runs with the land.
8. Anyone interested in obtaining additional information or a release of this notice of nonpayment may contact \_\_\_\_\_, Road Commissioner, \_\_\_\_\_ Association, \_\_\_\_\_, Maine \_\_\_\_\_. Telephone Number (207) \_\_\_\_\_; e-mail: \_\_\_\_\_.

Dated: \_\_\_\_\_, 200\_\_\_\_\_

\_\_\_\_\_  
Road Commissioner

State of Maine  
County of \_\_\_\_\_

\_\_\_\_\_, 200\_\_

Personally appeared the above named \_\_\_\_\_ and made oath that the foregoing Affidavit is based upon his personal knowledge and is true and correct and that to the extent it is based on information and belief that he believes it to be true.

Before me,

\_\_\_\_\_  
Notary Public/Attorney-at-Law  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

# Nonprofit Corporation Road Associations

## **Appendix F: Maine's Requirements for Incorporating a Nonprofit Corporation**

Disclaimer: This information is provided for educational purposes only and is not to be relied upon as legal advice. Readers are strongly encouraged to retain the services of a qualified attorney to help them with their specific situation.

### **State Requirements and Forms**

**Articles of Incorporation** – Your nonprofit corporation must establish Articles of Incorporation and file them with the Secretary of State. The Articles of Incorporation application (Form MNPCA-6) is available at [www.maine.gov/sos/cec/corp/formsnew/mnpca6.pdf](http://www.maine.gov/sos/cec/corp/formsnew/mnpca6.pdf). Among other items, the Articles of Incorporation must include the following information:

- **Name of Organization** – You must choose a name that is not identical or deceptively similar to an already existing nonprofit or for-profit corporation in Maine. The names of already existing nonprofit corporations can be found online at [www.informe.org/icrs/ICRS](http://www.informe.org/icrs/ICRS).
- **Purposes of the Organization** – The purposes may be identical to the mission statement, or may be as broad as the law allows. A road association will always be a mutual benefit corporation and not a charitable corporation. It cannot be tax exempt.
- **Registered Agent (aka Clerk)** – All nonprofit corporations must appoint a registered agent. Any change of the registered agent must be filed with the Secretary of State within 30 days of the change.
- **Whether the Organization Will Have Members** – An organization may or may not have members. That is a decision the incorporators need to make from the outset.
- **Board of Directors** – If the organization has a board, it must be comprised of at least three individuals.

**Bylaws** – A nonprofit corporation must establish a set of Bylaws.

**Organizational Meeting** – After the incorporators have filed the Articles of Corporation, it is time to hold the Organizational Meeting. At this meeting, the following key measures should be taken:

- Adopt bylaws.
- Decide if the organization will be run by members or a Board of Directors.
- Elect Officers.
- Authorize a corporate bank account.
- Authorize the payment of organizing expenses and filing fees.
- Authorize the establishment of a ledger and appropriate corporate records.
- Adopt a fiscal year for the corporation.
- Designate Chairpersons and members of committees.

**Annual Report** – All nonprofit corporations must file an Annual Report by June 1 of

each year (although the Secretary of State requests filings by April 1). There is a \$35 filing fee, as well as a late fee for filings received after June 1. You may download a form or file online at [www.maine.gov/sos/cec/corp/formsnew/formspec.htm#mnpca13](http://www.maine.gov/sos/cec/corp/formsnew/formspec.htm#mnpca13).

**Workers Compensation** – A corporation with one or more employees generally must obtain workers compensation insurance.

## **Federal Requirements and Forms**

**Obtain an EIN** – Every nonprofit corporation must obtain a federal Employer Identification Number (EIN). This is simply a means of identifying the organization for tax and other purposes. You can request an EIN by phone, mail, or online. For details, visit [www.irs.gov/businesses/small/article/0,,id=97860,00.html](http://www.irs.gov/businesses/small/article/0,,id=97860,00.html).

**IRS Form 990** – Annual information return for exempt organizations. If your organization has more than \$25,000 in income during your tax year, it must file Form 990. You might also qualify to file Form 990-EZ, which is a simplified version generally used by organizations with gross receipts normally less than \$100,000 and assets under \$250,000. If your organization is a private foundation, you should file Form 990-PF. All of these forms can be downloaded from [www.irs.gov](http://www.irs.gov).

**IRS Form 1099-MISC** – An organization must file an IRS 1099-MISC whenever it pays a person \$600 or more in a fiscal year for: (1) rents; (2) royalties; (3) commissions, fees and other compensation (nonemployees only); (4) prizes and awards (nonemployees); and (5) other income.

**Federal Payroll Tax Documents** – A corporation with one or more employees must pay certain federal payroll taxes and make federal and state withholdings on employees' wages. Among the necessary forms are the W-2/W-3 and the quarterly IRS Form 941.

## Appendix G: Sample Road Maintenance Agreement

This Agreement is made as of \_\_\_\_\_, 20\_\_\_\_ by the property owners (see attached list) hereto and their successors and assigns with respect to real estate located in the Town of \_\_\_\_\_, \_\_\_\_\_ County, Maine.

1. Property. This Agreement shall apply to the real property (the "Lots") held by the Owners identified in Appendix A adjoining Fire Road No. \_\_\_\_ (the "Road") in the Town of \_\_\_\_\_, \_\_\_\_\_ County, Maine.
2. Owner. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot who has signed this Agreement, and the heirs, successors, assigns and personal representatives of said Owners, but, notwithstanding any applicable theory of mortgage law, shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title by foreclosure or any proceeding in lieu of foreclosure.
3. Road. The purpose of this Agreement is to provide for the maintenance and upkeep of the Road which services the Lots for the use and benefit of all Owners, and shall be binding upon all Owners.
4. Association. \_\_\_\_\_ has caused to be incorporated under Maine law a nonprofit corporation, the \_\_\_\_\_ Fire Road No. \_\_\_\_ Association (the "Association"), for purposes of complying with the requirements of this Agreement.
5. Member. Every Owner shall be a Member of the Association. When more than one person or entity holds an interest in any Lot, all such persons or entities shall be Members. A person or entity who holds a fee or undivided fee interest merely as security for the performance of an obligation, however, shall not be a Member.
6. Voting. All Members of the Association shall be voting Members and the Association shall have one (1) class of voting membership. For purposes of any meeting, a quorum shall consist of Owners of at least one-half (1/2) the Lots being present and voting. Each Lot shall represent one (1) indivisible vote. When more than one Member holds an ownership interest in a Lot, the vote for that Lot shall be exercised as such Members among themselves may determine by majority vote. In no event, however, shall the voting rights for a Lot be divided, nor shall more than one (1) vote be cast with respect to any one Lot. If Members who are Owners of a Lot are unable to agree in any instance as to how their vote shall be cast, in any instance, then the vote shall not be counted.
7. Expenses. Each Owner shall be assessed a sum equal to the Road maintenance and upkeep expenses for the ensuing year multiplied by a fraction of which the numerator shall be the number of Lots owned by the Owner and the denominator shall be the total number of all the Lots. Road maintenance and upkeep shall be limited to that required [to remove snow], to repair and prevent erosion and to repair ordinary wear to the surface of the Road unless otherwise agreed by a unanimous vote of all Owners, but shall include the cost of maintaining the Association as a nonprofit corporation in good standing under the laws of Maine, the cost of enforcing any provision of this Agreement and other costs and expenses necessary and proper for the effective and efficient functioning of the Association. All maintenance and upkeep [including snow removal], will be by competitive bid unless a non-competitive price is accepted by vote of a majority of the Owners present at a meeting duly called for the purpose of voting on the budget of the Association.
8. Lien. Each Owner, by signing this Agreement, does covenant and agree to pay to the Association, within sixty (60) days after the date of notice of an assessment, all assessments made by the Association. Each assessment, together with interest in amounts or at rates specified by the Association and together with costs of collection, shall be a lien and charge upon the Lot against which each such assessment is made which lien shall continue until the assessment is paid and shall be the personal obligation of the Owner. The personal obligation of the Owner to pay such assessments, however, shall remain the personal obligation of the person who was the Owner when the assessment was first due and shall not pass to successors in title unless expressly assumed by such successors.
9. Enforcement. The Association may bring a civil action against the Owner personally obligated to pay an assessment in order to enforce payment of the delinquent assessment or to foreclose the lien against the Lot, and there shall be added to the amount of such assessment due all costs of collection. In the event a judgment is obtained, such judgment shall include interest on the assessment, together with all the Association's attorney's fees and expenses and costs of the action.
10. Subordination. The lien of the assessments provided for shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Lots. Such subordination, however, shall apply only to the assessments which have become due and payable prior to a sale or transfer of a Lot pursuant to any allowable method of foreclosure, or any other proceeding in lieu of foreclosure. Upon request by an Owner of a mortgagee of a Lot, the Association shall issue such certificates as are necessary to indicate the status of the assessments. Such sale or transfer shall not discharge the lien of the Association of any assessment thereafter becoming due after the date of any such sale or transfer. The lien of the assessments also shall be subordinate

to all utility easements which may be placed upon any Lot.

- 11. Severability. Invalidation of any one provision of this Agreement by competent authority shall in no way affect any other provision, which shall remain in full force and effect.
- 12. Amendment. This Agreement may be amended by a written instrument executed in recordable form and signed by Members entitled to cast at least 75% of the votes allocated to the Lots.

IN WITNESS WHEREOF, the undersigned have executed the Agreement as of the date first above written:

WITNESS

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

STATE OF MAINE  
COUNTY OF \_\_\_\_\_, SS.

The foregoing Road Maintenance Agreement was acknowledged before me on \_\_\_\_\_, 20\_\_ by  
\_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

(NOTARY SEAL)

Notary Public of Maine  
My Commission Expires: \_\_\_\_\_



## Appendix H: Sample Nonprofit Corporation Road Association Bylaws

Note: These bylaws are only a sample. If you have questions about bylaws, you should consult with an attorney.

### BYLAWS OF LAKE DRIVE IN NOWHERE OWNERS ASSOCIATION

#### ARTICLE I

The name of the corporation shall be Lake Drive in Nowhere Owners Association.

#### ARTICLE II

The purpose for which the corporation is organized is the owning, improving and maintaining the deeded common areas and/or facilities, storm water control facilities, Lake Drive in Nowhere, Maine and engaging in such other activities as may be to the mutual benefit of the Members. It shall be a limited nonprofit private mutual benefit corporation pursuant to the laws of the State of Maine in Title 13-B. The common areas and/or facilities, storm water facilities, and Lake Drive are described in the Boundary Survey of Lake Drive, Nowhere, Maine recorded in the Kennebec County Registry of Deeds in Plan File # \_\_\_\_\_, Sheet \_\_\_\_\_.

#### ARTICLE III

The Members of the corporation shall be limited initially to the owners, their heirs and assigns, of six (6) Lots abutting said Lake Drive as shown on said Plan consisting of:

\_\_\_\_\_ and \_\_\_\_\_, Lot 1, whose deed is recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ in said Registry;

\_\_\_\_\_, Lot 2 whose deed is recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ in said Registry;

\_\_\_\_\_ and \_\_\_\_\_, Lot 3, whose deed is recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ in said Registry;

\_\_\_\_\_ and \_\_\_\_\_, Lot 4, whose deed is recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ in said Registry;

\_\_\_\_\_, Lot 5, whose deed is recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ in said Registry; and

\_\_\_\_\_ and \_\_\_\_\_, Lot 6, whose deeds are recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ and Book \_\_\_\_\_, Page \_\_\_\_\_.

The land of \_\_\_\_\_ shown on said Plan as Lot 7 shall not have membership and rights and obligations in this Association until such time as that land and/or a portion of that land has located thereon a dwelling and/or a new lot which uses \_\_\_\_\_ Drive as its primary access. If and when such a dwelling and/or lot is created, its record owner will become a member of the Association and the number of Members will be increased to seven (7).

The holder or owner of a security interest only, such as a mortgagee, shall not be qualified to be a Member.

#### ARTICLE IV

**The corporation shall have perpetual existence.**

#### ARTICLE V

The affairs of the Association shall be managed by the Members at membership

meetings. Members shall elect a President, Secretary and a Treasurer annually who shall serve as Directors between membership meetings on such matters as delegated by the Members. The duties of the officers shall be as prescribed by these bylaws.

ARTICLE VI

The names of the officers who are to serve until the first election under these Bylaws shall be:

\_\_\_\_\_ President  
\_\_\_\_\_ Secretary  
\_\_\_\_\_ Treasurer

Said officers shall serve until August 1, 2009, before which the officers shall call with not less than fifteen (15) days notice a meeting of the Members to conduct the first election of officers who shall serve until the annual meeting in October, 2009.

ARTICLE VII

The Association shall hold an annual meeting in October of each year to elect officers and conduct business and shall hold other meetings as necessary.

ARTICLE VIII

At all meetings and elections, all the Members may cast only one vote for each residential dwelling owned and all such units owned by tenants in common or joint tenants may cast only one vote as a group for each lots owned. For any vote to be effective on any issue, there must be a vote in favor of the decision of at least two-thirds (2/3) of the Members.

ARTICLE IX

The bylaws of the corporation may be amended, altered or rescinded only by two-thirds (2/3) of the Members at an annual meeting.

All amendments shall not become effective until recorded in the Kennebec County Registry of Deeds.

Amendments may be proposed by any Member.

ARTICLE X

Officers

Section 1. Officers. The officers of the Association shall be a President and a Secretary/Treasurer. They shall take office immediately after election.

Section 2. The President. The President shall be the chief executive officer of the Association, and shall perform such other duties as from time-to-time may be assigned to him by the Members. The President shall be ex officio a Member of all committees.

Section 3. The Secretary and Treasurer. The Secretary shall keep the minutes of all the Members' and Officers' meetings and the Treasurer shall have the custody of all the receipts, disbursements, funds, and securities of the Association. They shall perform all duties incident to the office of Secretary or Treasurer and shall perform such other duties as may from time-to-time be assigned by the Members or the President.

Section 4. Registered Agent. The Members shall appoint a Registered Agent for the Association who shall serve until replaced and who need not be a Member, but who must be a Maine resident, and whose duties shall be limited to those provided by Maine law.

ARTICLE XI

Meetings of Members

Section 1. Annual Meetings. There shall be an annual meeting of the Members of the Association each October at such place as may be designated in Readfield, Maine of each year. Notice for such meeting shall be given three (3) weeks in advance.

Section 2. Special Meetings. Special meetings of the Members shall be held whenever called by the President or by at least four (4) Members. Three (3) weeks notices shall be given

to all Members.

Section 3. Proxy. Votes by Members may be cast in person or by written proxy by any Member, with only one vote for each lot owned as provided for in Article VIII.

Section 4. Quorum. A quorum shall consist of at least four (4) Members either in person or by proxy, and it shall take two-thirds (2/3) vote of the Members to decide any question that may come before the meeting.

#### ARTICLE XII

Section 1. Qualifications. Only persons qualified to be Members under Article III shall be Members.

Section 2. Members. A Member shall have no vested right, interest, or privilege of, in, or to the assets, functions, affairs, or facilities of the Association, or any right, interest, or privilege which may be transferable or inheritable, or which shall continue after Membership ceases.

#### ARTICLE XIII

Section 1. The Association shall have the right and power to subject the property of its Members to an annual subdivision maintenance fee and charge.

Commencing November 15, 2009, and on the same day of each year thereafter, each owner of a lot with a substantially complete residence, shall pay in advance, the maintenance fee and charges and such payments shall be used by the Association to create and continue a Maintenance Fund to be used by the Association as hereinafter stated. The Association may vote to access the maintenance fee and charges in installments and to set the due date for such installments. The charges will be delinquent when not paid within thirty (30) days after they become due.

The annual maintenance charge may be adjusted from year-to-year by the Members as the common area, storm water management facilities and road maintenance needs in its judgment may require and shall be asserted equally and for the same amount for each residential dwelling unit.

Section 2. The maintenance charge shall be used for improving and maintaining the said common areas, road, drainage and storm water management facilities and the sight distances on the curves and intersections of the roads. It shall also be used for providing liability insurance coverage for the Association, its Members and Officers and the costs of consultants.

#### ARTICLE XIV

The Association shall have the power and authority to enforce and collect said maintenance fees by any action including actions at law and equity, and including attachment of Members' property. Members who are in default of their fees shall also be liable to the Association of reasonable interest and late charges set in advance by the Association and for the Association's reasonable costs of collection, including but not limited to, attorney's fees and costs. The maintenance fees shall constitute a lien upon the land of the Members and shall run with the land.

#### ARTICLE XV

##### Insurance

The Association shall maintain in full force and effect a general liability insurance policy for the benefit and protection of the Association, its officers and Members. It shall cover all land, common areas, facilities, equipment, and activities owned, operated and/or maintained by the Association as well as personal property and all acts performed for the Association. It shall have a face amount which shall be determined from time to time by the Membership. Costs of insurance shall be a part of the maintenance fee.

#### ARTICLE XVI

##### **Indemnification of Officers and Members**

Each officer, member and employee of The Corporation shall be indemnified by The Corporation to the extent of insurance coverage against expenses, including attorneys' fees,

judgments, fines and amounts paid in settlement, actually and reasonably incurred by such person in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of The Corporation), by the reason of the fact that such person is or was an officer, member or employee of The Corporation, if such person acted in good faith and in a manner reasonably believed to be in the best interests of The Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe such person's conduct was unlawful. The termination of any action, suit or proceeding by judgment, order settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not of itself, create a presumption that the person did not act in good faith and in a manner which is reasonably believed to be in the best interests of The Corporation, and, with respect to any criminal action or proceeding, had reasonable cause to believe that such person's conduct was unlawful.

Expenses incurred in defending a civil or criminal action, suit or proceeding, may be paid by The Corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Members in the manner provided by the applicable statutes of the State of Maine concerning indemnification by nonprofit corporations currently contained in 13-B M.R.S.A. § 714, sub-§ 3 (or the corresponding provision of future Maine law), upon the receipt of an undertaking by or on behalf of the officer, member or employee to repay such amount, unless it shall be ultimately determined that such person is entitled to be indemnified as provided herein.

In the event that such action or proceeding be by or in the right of The Corporation, The Corporation shall have the same power to indemnify and insure any such director, officer or employee, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of such duty, unless the court wherein the action or proceeding is tried shall specifically find that despite the adjudication of liability, but in view of all the circumstances of the case, such a person is fairly and reasonably entitled to indemnity.

The indemnification provided by these bylaws shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute or regulation of the State of Maine.

As used in this provision, the terms "officer", "member", "employee" include the respective heirs, executors and administrators of persons holding such offices in The Corporation.

#### Consent and Agreement

We, for ourselves and our heirs, successors and assigns, consent and agree to be bound and our land described herein to be subject to the terms and conditions of these Bylaws, and as amended hereafter, which shall run with the land.

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

Dated: May \_\_\_\_\_, 2009 \_\_\_\_\_

State of Maine  
County of \_\_\_\_\_, 20\_\_\_\_

Then personally appeared the above named \_\_\_\_\_ and  
acknowledged the foregoing instrument to be his free act and deed.

Before me,

\_\_\_\_\_  
Notary Public/Attorney-at-Law  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_  
.  
.  
.

State of Maine  
County of \_\_\_\_\_, 20\_\_\_\_

Then personally appeared the above named \_\_\_\_\_ and acknowledged  
the foregoing instrument to be her free act and deed.

Before me,

\_\_\_\_\_  
Notary Public/Attorney-at-Law  
Printed Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**Appendix I: Sample Quitclaim Deed with Covenant**

**This sample is offered for educational purposes. A quitclaim deed is a legal document. You should consult with an attorney before finalizing any quitclaim deed.**

**QUITCLAIM DEED WITH COVENANT**

\_\_\_\_\_ of Nowhere, County of Kennebec and State of Maine, for consideration paid, grant, convey and forever quitclaim to the **LAKE DRIVE IN NOWHERE OWNERS ASSOCIATION**, a Maine not-for-profit mutual benefit corporation of Nowhere, County of Kennebec and State of Maine, whose mailing address is 4 Lake Drive, Nowhere, Maine 04000, with quitclaim covenant, a certain lot or parcel of land situated in the Town of Nowhere, County of Kennebec and State of Maine, more particularly bounded and described as follows, to wit:

The Lake Drive being a residential private road in Nowhere, Kennebec County, State of Maine, as shown and fully described on the Boundary Survey of Lake Drive recorded in the Kennebec County Registry of Deeds in Plan File # \_\_\_\_\_, Sheet \_\_\_\_\_.

Being a portion of the land of the Grantor described in a deed recorded in Book \_\_\_\_\_, Page \_\_\_\_\_ in said Registry.

IN WITNESS WHEREOF, the said \_\_\_\_\_ has caused this instrument to be sealed as her free act and deed this \_\_\_\_ day of May, 2009.

\_\_\_\_\_  
WITNESS

By: \_\_\_\_\_

STATE OF MAINE  
COUNTY OF KENNEBEC

May \_\_\_\_, 2009

Personally appeared before me the above-named \_\_\_\_\_ of \_\_\_\_\_, Maine and acknowledged the above-instrument to be her free act and deed.

\_\_\_\_\_  
Notary Public/Attorney-at-Law

**Appendix J: Sample Drainage Easement**

**This sample is offered for educational purposes. A drainage easement is a legal document. You should consult with an attorney before finalizing any easement.**

Know all those by these presents, that (I / We) \_\_\_\_\_, (Grantors) of the Town of \_\_\_\_\_ County of \_\_\_\_\_ and the State of \_\_\_\_\_, for considerations paid, grant unto said Grantee(s) located at the address of \_\_\_\_\_, and (its / their) successors and assignments, the following described drainage easement being located on \_\_\_\_\_ (Road), in the Town of \_\_\_\_\_, County of \_\_\_\_\_. Said Drainage Easement to be recorded in the \_\_\_\_\_ Registry of Deeds.

**“DRAINAGE EASEMENT”**

Granting to the said Grantee(s) the perpetual right to enter upon land outside of and adjoining the right of way limits of said road in said Town of \_\_\_\_\_, County of \_\_\_\_\_, State of Maine, for all purposes necessary to construct and maintain ditches and sheet flow; to convey water to or from a road culvert / road ditch over and across adjoining land in the direction specified, as follows:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The herein described easement being over land of the said Grantor(s) that (he / she / they) acquired from \_\_\_\_\_ By (warranty / Quit / Claim / Release) or (Foreclosure) deed, dated (signed) \_\_\_\_\_ and recorded at the \_\_\_\_\_ County Registry of Deeds in Book \_\_\_\_\_ on Page \_\_\_\_\_.

Witness their hand this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
(WITNESS)

\_\_\_\_\_  
(GRANTOR)

\_\_\_\_\_  
(WITNESS)

\_\_\_\_\_  
(GRANTOR)

State of Maine  
County of \_\_\_\_\_ ss \_\_\_\_\_ 20\_\_\_\_

Personally appeared the above named \_\_\_\_\_ and acknowledged the forgoing instrument to be their free act and deed.

Before me, \_\_\_\_\_ Notary Public - My term expires, \_\_\_\_\_

## General

### **Appendix K: Liability Exposure Generally for All Private Roads**

The law governing liability exposure, known as Tort Law, is arcane, very complex, and is driven primarily by the facts of each separate incident in which someone is injured or suffers property damage. As a result, any general discussion of liability exposure for road associations and private road owners is necessary, but has limited utility.

The bottom line is that anyone having an ownership or maintenance and repair relationship or uses a private way to access their private property needs to have protection of liability insurance. Without it, one's property and financial security is continuously at risk. Even in those circumstances where there is statutory immunity, the cost of defending against a frivolous case can be substantial and liability insurance not only provides for protection against a judgment, but it also provides for the cost of defense. Given the relatively low cost of liability insurance for road associations, no association or member of an association should be without it and no owner should expose themselves to liability by being active in a road association which does not carry liability insurance. If you have any questions about liability, you should consult with an attorney.

*This section was excerpted from a discussion provided by Clifford H. Goodall, Esq. of Dyer, Goodall & Denison, P.A.*



## Appendix L: Regulatory Considerations

### REGULATORY ASPECTS AND PERMITTING

There are three laws that may apply to camp road maintenance: the Erosion and Sedimentation Control Law, the Natural Resource Protection Act, and the Mandatory Shoreland Zoning Act (with associated local ordinances). All of these laws require a permit to do some kinds of road work so that state and local officials can ensure that our lakes, streams, coastal areas, and wetlands are protected. Read this section, then contact the municipality in which the project is located and the Maine DEP to find out if a permit is necessary, and if so, how to obtain one.

**The Erosion and Sedimentation Control Law** requires that erosion control devices be installed before any activity begins that will disturb the soil to prevent offsite transport into a water body, and that the devices be maintained until the site is permanently stabilized. The law also requires that **existing areas eroding** into a lake, stream, river or wetland be **stabilized by July 1, 2010**. If the eroding area is in a watershed of a **water body “most at risk”** (contact the Maine DEP or your local Soil & Water Conservation District for an updated list), it must be **stabilized by July 1, 2005**. This means you must follow erosion control procedures when your camp road maintenance or construction disturbs the soil, and you must ensure that the disturbed area is permanently stabilized.

**The Natural Resources Protection Act (NRPA)** regulates activities in, on, over, or within **75 feet** of lakes, ponds, rivers, streams, brooks, and wetlands. Regulated activities include filling, disturbing the soil, building permanent structures, removing, or displacing vegetation, dredging, or draining. A permit is required from the DEP before starting any of these activities. Two types of permits are available: a Permit-by-Rule (PBR), and a full permit. A Permit-by-Rule only requires that you file notice and follow a set of prescribed standards; a full permit involves a formal project review by the DEP. Most camp road-related activities can be done under the Permit-by-Rule program. Replacing existing culverts does not require a permit, provided the culvert is no longer than 75 feet or no more than 25% longer than the original culvert. Replacing existing bridges is also exempt from the permitting process, provided the new bridge has the same dimensions, does not block fish passage, and does not intrude any further into the water body or wetland than the old bridge.

**The Mandatory Shoreland Zoning Act** (and associated municipal ordinances) regulates development along the immediate shoreline of lakes, rivers, tidal areas, wetlands, and some streams. The law requires towns to zone all areas within **250 feet** of these resources with the exception of streams, where the zoned area need only be 75 feet. Each town's ordinance may be different, but the ordinance must be at least as stringent as the state's minimum guidelines. As a camp road owner, you must check with the Town's Code Enforcement Officer to determine if the work you plan for your camp road requires a permit from the town. Generally, maintenance activity on existing roads does not require a permit. However, if you plan to fill, disturb soil material, or widen the road, a permit may be required.

**Effective January 1, 2013**, excavation **contractors** conducting excavation activity in a **shoreland area must be certified** in erosion control practices by the Maine DEP. Excavation activity includes the disturbance of soil, including grading, filling and removal of more than one cubic yard of earth material.

In addition to the above laws, construction of **new** camp roads may require permits under either the **Stormwater Management Law** or the **Site Location of Development Law**. Contact the DEP if your project involves 20,000 square feet or more of road construction or will disturb more than 1 acre of land. There may also be local ordinances or land use codes and road standards for both new and expanded private roads. The local Code Enforcement Officer will be able to provide this information.

## Appendix M: Forming a Budget

How much do you need to spend on your road? For many roads the answer to this question is- "more." If a gravel road is not maintained at a level that allows it to hold up to the forces of vehicle traffic and weather the road will degrade to the point where fixing it properly will be very expensive. Akin to the maintenance of an automobile there are two options; 1) spend a little money periodically to repair your "old beater" and run it into the ground, or 2) spend a moderate amount of money periodically on a car payment for a car that will be cheaper to maintain. Option one may be cheaper but you don't have as nice a car as in option two. Now in this car scenario both options have their benefits, but in the case of your road the "old beater" approach results in a dangerous, rough, road that is polluting our environment. Maintenance to your road needs to be done every year. This means that a moderate amount of money needs to be spent every year.

How do you figure out what the "moderate" amount of money is for you road?

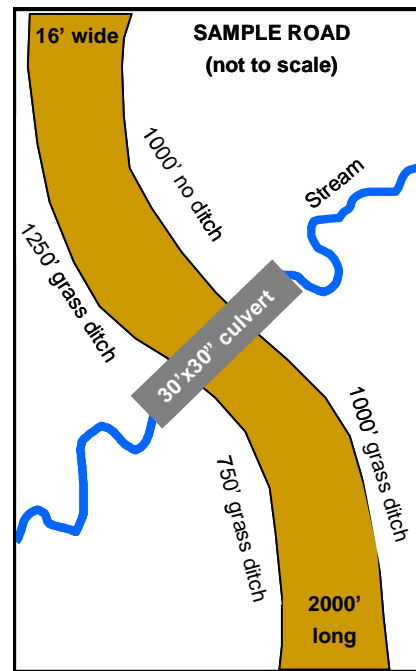
Here's an example:

### Sample road:

- Is 2000' long and 16' wide
- Has a total of 3000' of ditches
- One 30"x30" culvert
- Is a year-round gravel road

To determine yearly maintenance cost we need to look at the different components of gravel road maintenance: road surface, ditches, culverts, and snow removal.

Road Surface Maintenance: You may have noticed that your gravel road surface is not static. Its shape is constantly changing due to a variety of forces: vehicle traffic, erosion, snowplows, dusting, etc. Gravel road surfaces change shape due to the "loss of material." Essentially road surface material is lost in one of four ways: through dusting, by sinking into the ground, by raveling (material is kicked off of the road by vehicles), or through erosion. As a result the road surface needs to be reshaped periodically in order for it to efficiently shed water into the road ditches; this is accomplished using some sort of road grading equipment to recover some of the material that has been "lost" to the road shoulder.



Unfortunately, this can only recover a portion of the road surface material that has been lost. This means that every year you are losing a certain amount of road surface material. Therefore to maintain the road surface you not only need to reshape the road surface periodically to recover as much "lost" material as possible, you need to periodically add road surface material. For a year round road, grading should be done twice per year – preferably once after the snow melt and before the spring rains and once before the fall rains. Adding road surface material should be done when there is not enough material to form a sufficient crown.

### Sample road

**Grading:** Road grader at \$65/hr for 6 hrs: **\$390.00**

**Surface Material:** Let's assume this road needs about 6" of gravel every four

years. Rather than wait four years and add gravel to the entire road, add gravel to a different 500' section every year.

500' long x 16' wide x 0.5' gravel/27= about 150 cu.yds.

150 cu.yds x \$17/cu.yd for surface gravel delivered= **\$2550.00**

**Annual Total: \$2940.00**

Ditches: Ditches need to be maintained or cleaned out periodically because "lost" road surface material often ends up in the ditch. Periodic road surface grading will help minimize the filling of the ditches but the ditches still need to be "cleaned out" on occasion. There are many factors that influence the frequency that ditches need to be cleaned out including; the size of the original ditch, the frequency that the road surface is graded, and soil type to name a few.

**Sample road**

***Ditching:*** Let's assume that the ditches need to be cleaned out every 7 years.

The contractor has given a quote of \$2000.00 for a day's worth of ditching, and figures that he or she can do about 1000 feet.

\$6000.00 worth of ditching every ten years

**Annual Total: \$600.00**

Culvert(s): Culverts need to be replaced when they deteriorate, have been damaged or wash away. Depending on the type of material, they will last anywhere from 15 to 50 years (some times even longer). Corrugated metal pipe deteriorates most quickly while concrete and plastic pipes tend to last much longer.

**Sample road**

***Culvert:*** Assume the culvert will need to be replaced every 25 years

30' x 30" Plastic Culvert = \$725.00 \*

Installation costs: \$ 750.00

Total cost: \$1475.00 / 25 years

**Annual Total: \$59.00**

*\* Culvert diameter may change as the developed area changes. More development may result in increased surface water runoff which in turn will require a larger culvert to accommodate this additional flow.*

Snow removal: This includes snow removal and sanding.

**Sample road**

***Snow removal:***

**Annual Total: \$1500.00**

**Sample Road Annual Expenses:**

Road Surface:	\$2940.00
Ditches:	\$600.00
Culverts:	\$59.00
Snow Removal:	\$1500.00
<b>Grand Total:</b>	<b>\$5099.00 / year</b>

Maintenance for your road may be more or less than this example. Keep in mind this budget only includes maintenance and assumes that your road is in decent shape to begin with. It is possible that a considerable expense is necessary to get your road to the point where the above maintenance budget example would apply.

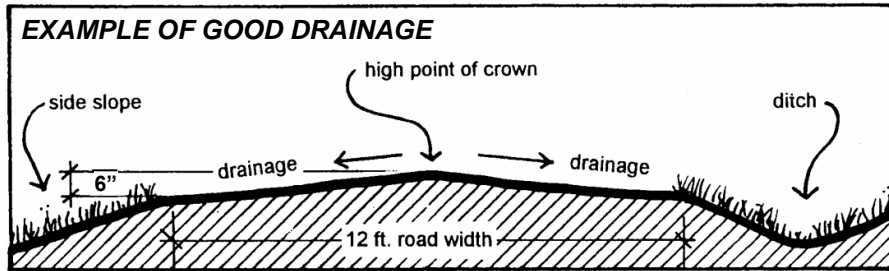
*This section was provided by the Kennebec County Soil and Water Conservation District, 2009.*

## Appendix N: Choosing a Contractor and Requesting an Estimate

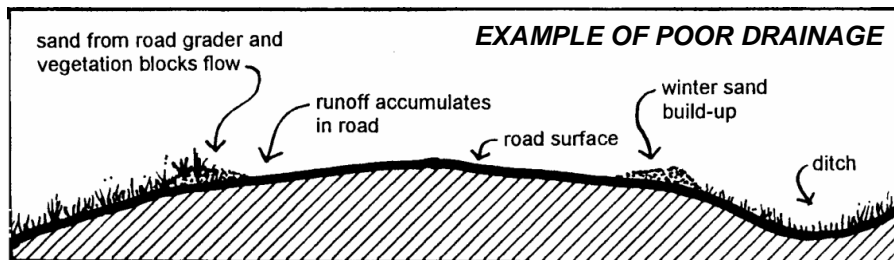
### Contact Local Contractors:

Ask to see other gravel roads which the contractor has worked on. This will give you a good idea of what you can expect for your project and whether the contractor uses proper road maintenance techniques. Some key things to look for include:

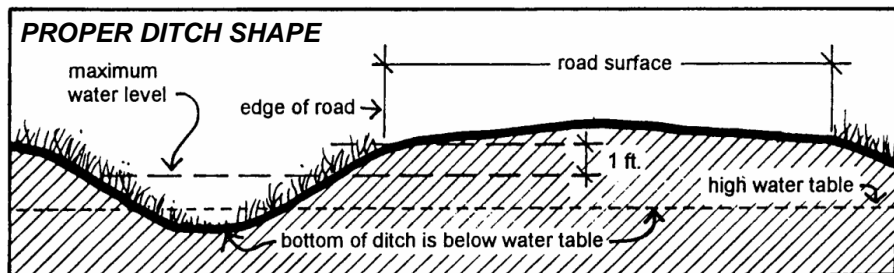
**Presence of a crown:** road should have a noticeable pitch towards the ditch/shoulder. The pitch of the crown on a gravel road should be about 8%, or  $\frac{1}{2}$  inch of crown per foot of road width.



**Presence of grader berm:** the transition (laterally) from road surface to shoulder to ditch should be free of obstruction. Below is an example of a road profile where material is trapping water on the roadway, and is what you do not want to see on the gravel road. This will result in the erosion of road surface material and possibly increase the incidence of potholes.



**Ditch shape:** the shape of the ditch should be a rounded-V. The side slopes of the ditch should not be steeper than a 1.5:1 slope.



**Soil stabilization:** after construction all areas of exposed soil (except for the travel way) should be stabilized using vegetation, rock, or erosion control mulch.



Consider hiring a "certified contractor." The Maine Department of Environmental Protection has developed an incentive program to recognize contractors who make an ongoing effort to learn about erosion control practices. This program, called the Voluntary Contractor Certification Program, provides contractors with training in environmental laws and erosion control practices that relate to working near sensitive natural resources. A certified contractor is not necessarily more qualified to work on private roads, but does have more training in erosion control measures and understands the relationship between eroded soil and lake water quality. See DEP's Nonpoint Source Training and Resource Center website at [www.state.me.us/dep/blwq/training](http://www.state.me.us/dep/blwq/training) or call Bill Laflamme at 287-7726 for a list of certified contractors.

Request an Estimate:

- Request estimates from more than one contractor.
- Provide contractors with a detailed description of the work you want done and request itemized estimates in return. (See Appendix N).
- Ask for a "not to exceed quote" to ensure that the job stays within your budget.
- Ditch by the day. If your road needs to be ditched, plan on at least a day's worth of ditching at a time because of equipment transportation costs. It is easy for a contractor to quote you for a day's worth of ditching. You will still want to prioritize which sections of road you will want to ditch first.
- Plan ahead! Available contractors can be very hard to find as the construction season approaches.



Camp road undergoing reconstruction. Road has been regraded to direct runoff to rip rap drainage ditch / detention structure along road side and new grass strip has been installed for soil stabilization.



Same section of camp road several months after reconstruction.

## Appendix O: Sample Gravel Road Maintenance Agreement for Contractors

**DIRT AND GRAVEL ROAD MAINTENANCE PROJECT  
AGREEMENT BETWEEN  
\_\_\_\_\_ ROAD ASSOCIATION  
AND  
\_\_\_\_\_**

Now, this \_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, the \_\_\_\_\_ Road Association ("Association") and \_\_\_\_\_, known herein as the "project participant", agree as follows:

(1) \_\_\_\_\_ will conduct, or cause to be conducted, a road maintenance project on specified portions of \_\_\_\_\_, in accordance the Application and Work Plan attached hereto.

(2) This project will be conducted in accordance with standards that prohibit the use of materials or practices that are environmentally harmful and in accordance with the application and work plan attached hereto and incorporated herein. Any changes or modifications to the work plan will be performed to the satisfaction of the Association.

(3) This project will be conducted in accordance with the "General Contract Conditions" required by the Commission, the "Dirt and Gravel Road Maintenance Program Statement of Policy" as adopted by the Commission and as may be amended from time to time, and the environmental standards approved by the Quality Assurance Board, which are attached hereto and incorporated herein.

(4) The project participant agrees to provide timely documentation to the Association that all required federal, state, or local permits have been obtained, and further agrees to comply with all such permits as a condition of performing this agreement.

(5) The project participant shall ensure that this contract and all other arrangements entered into pursuant to the implementation of this contract are in conformance with all applicable local, state, and federal laws, rules, and regulations.

(6) The Association agrees to fund the eligible costs for this project in an amount up to, but not exceeding \$ \_\_\_\_\_.

(7) The project funds will be disbursed by the Association to \_\_\_\_\_ in accordance with the attached schedule of payments.

(8) A project participant shall maintain a separate accounting of funds received under the program.

(9) Records must be kept for three years.

(10) The Association will have access to all relevant program documents during that time.

(11) The Association shall not be held responsible for any loss of life, personal injury, or property damages of any kind incurred in performing or completing the work or duties under this contract.

(12) The project participant agrees to provide the Association with a completed copy of the Project Performance Report when the project is completed.

(13) The project participant shall complete the project no later than \_\_\_\_\_, unless an extension of time is approved by the Association.

(14) This document and the attachments hereto constitute the entire agreement between parties.

WHEREFORE, the parties have set their hands on the date indicated, intending to be bound hereby.

FOR THE ASSOCIATION: FOR: \_\_\_\_\_

\_\_\_\_\_  
(Signed) (Date) (Signed) (Date)

\_\_\_\_\_  
(Print Name) (Print Name)

\_\_\_\_\_  
(Title) (Title)

List of Attachments:

Attachment A - Grant Application

Attachment B - Work Plan

Attachment C - General Contract Provisions

Attachment D - Dirt and Gravel Road Maintenance Program Statement of Policy

Attachment E - Quality Assurance Board Standards

Attachment F - Schedule of Payments

Attachment G - Project Performance Report

*From Penn State Materials Research Institute ([www.mri.psu.edu/centers/cdgrs/Downloads/contract.pdf](http://www.mri.psu.edu/centers/cdgrs/Downloads/contract.pdf))*



## **Appendix P: Guidelines for Running Effective Meetings**

### **Conducting the Meeting**

The facilitator has primary responsibility for moving people through the agenda in the time available and involving as many people as possible in the process. He/she helps the group make decisions at the appropriate time, and encourages everyone to take a responsible part in the meeting. A facilitator plays no role in substantive, issue-oriented discussions.

Here are a few recommendations to help a facilitator:

- start the meeting promptly
- review the agenda and summarize major points
- keep the discussion focused and ask if people are ready to make a decision
- try to involve everyone in the discussion
- avoid making judgments
- keep people from interrupting each other
- help the group make decisions by noting points of agreement
- avoid letting one or two people dominate the meeting

### **Ending the Meeting**

It is important to close a meeting with a sense of accomplishment and direction. Before people leave:

- review all of the decisions that were made;
- determine who is taking responsibility for carrying them out, and by what date
- set a time and place for the next meeting
- encourage everyone to participate in cleaning up the room

*Adapted from University of Massachusetts, Citizen Action Fact Sheet No. 2, prepared by Michael Kane, Cooperative Extension, Amherst, Massachusetts, 1982. <http://crs.uvm.edu/gopher/nerl/group/a/k.html>*

## Appendix Q: Group Decision Making

Group decision making can be complicated. There are different ways to reach a decision and which method to use varies for each situation. Before calling for a vote, answer the following questions, to choose the most appropriate strategy:

*Who needs to be included in this decision? Who are the important players that can help or hinder our success? Do we have all of the information to make this decision? When does the decision need to be made? Should we postpone a decision until we have more research or group members?*

### **MAJORITY VOTE:**

**Description:** Everyone gets one vote, the largest number of votes prevails.

**Pros:** Majority vote is fast and easy and can give you a general idea on how the group feels about an issue.

**Cons:** It creates winners and losers, and the losers don't necessarily like or support the majority's decision. Some rely on majority vote too frequently rather than the group working through issues to achieve a win/win solution.

**When to use:** Majority vote should be used when limited time is available to make the decision and when the decision does not need the full support of the membership to be successful. It may also be used to take a poll of the group before spending a lot of time on an issue that most of the group is against.

**Tip:** Ask everyone to state their experiences, opinions and feelings about the subject. By allowing everyone's input, people feel less rushed and have more information before voting.

### **DESIGNATED GROUP DECISION:**

**Description:** A subgroup such as the board, a committee or task force is given the authority to make the decision for the whole group.

**Pros:** A smaller group may have the expertise or can research an issue before deciding the best course of action. Small groups may work quicker than the larger membership.

**Cons:** Minority vote may result in a disagreement between the decision-makers and the membership. The smaller group may think they have all the answers without considering all sides, and may leave out important facts or opinions.

**When to Use:** When the whole group does not have the time or expertise to consider all of the information around an issue. When the decision does not require the full support of the whole organization to be successful. It also can be used as an escape clause when a group is unable to reach consensus. (More about escape clauses later.)

### **LEADER DECIDES:**

**Description:** The leader decides without a vote, or consensus of the group. They may or may not have requested input.

**Pros:** Leaders are in their positions because they have been hired or elected because of their knowledge and/or experience. Leaders should have full authority to make certain decisions. The leader can make quick decisions and it allows the larger group to focus on major issues and allow the leader to guide the organization on a daily basis.

**Cons:** This does not allow members of the group to have a voice in the organization. The leader may make decisions that do not reflect the group they lead or they may not have all of the information to make the best decision for the organization.

**When to use:** When the leader has specific information or authority to make a decision. The leader may not have time to bring the decision to the group or does not need input or support. The key is making sure everyone understands when the leader decides and when the group decides.

### **CONSENSUS:**

**Description:** Consensus is a process where every member of the decision making group participates in the discussion and decision. Members express their ideas, opinions, experience, feelings and position on a specific issue. Each member's job is to listen to the ideas, opinions, experience, feelings and positions of all other members. The goal of consensus is to reach a carefully examined, thoughtfully considered decision that each member can support. Consensus does not always mean everyone thinks the solution is optimal, but is workable.

**Consensus includes:** pooling opinions, effective listening, discussing ideas and differences and agreement to the point that everyone can support a decision.

**Consensus does not include:** voting, majority rule, minority rule, leader rules or bargaining.

**Pros:** Allows all people to participate in the decision. Creates ownership and support from the group, which means a greater chance for success. Because everyone participates, more information and points of view are shared, decisions tend to be better. Members are more informed and may stay more connected to the organization.

**Cons:** Consensus is very time consuming and can be difficult to reach. It can be misused, overused, or used inappropriately. Can be a source of conflict if not used correctly.

**When to Use:** Use for those decisions when you want and need the whole group's support or for major issues that define the future of the organization. Consensus is a time-consuming process and should not be hurried.

**Tips:** Define deadlines for making the decision up front. Decide on an escape clause, or backup method if the group cannot reach consensus. The group may choose to revert to majority vote with a certain percentage of agreement (usually 85-90%) needed for the decision. The escape clause could include turning over the decision to a subgroup representing all perspectives--either to get additional information or to decide for the group.

*Adapted from Neighborhood Resource Center of Colorado's Tip Sheet No. 6.*

**Appendix R: Forming a Road Association Worksheet -  
Start the Process**

<b>Road Association Name</b>	
<b>Type of Road Association</b>	
<b>Possible Steering Committee Members</b>	
<b>Possible Association Goal</b>  <i>(can list road concerns then make mission statement to address)</i>	

**Plan for Next Steps:**

- Contact steering committee candidates - by \_\_\_\_\_ (date)
- Walk the road - by \_\_\_\_\_ (date)
- Contact technical help - contact \_\_\_\_\_ (who)  
- by \_\_\_\_\_ (date)
- Develop maintenance plan - by \_\_\_\_\_ (date)
- Develop association budget - by \_\_\_\_\_ (date)
- Determine maintenance fee - by \_\_\_\_\_ (date)
- Develop bylaws - by \_\_\_\_\_ (date)
- Recommend board - by \_\_\_\_\_ (date)
- Hold informational meeting - by \_\_\_\_\_ (date)
- Send out meeting notification - by \_\_\_\_\_ (date)
- Hold organizational meeting - by \_\_\_\_\_ (date)