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January 23, 2006

Lyle D. Wray, Ph.D.
Executive Director
Capitol Region Council of Governments
241 Main Street
Hartford, CT 06106

Re: Interlocal Agreements and Shared Assets Agreements

Dear Lyle:

You have asked me to (1) outline the procedure under Connecticut law to establish an agreement among municipalities to share services, equipment and other assets; and (2) prepare a model agreement that can be used as a template for shared services and assets.

Under Connecticut law, three separate statutes authorize shared services and assets agreements. They are: (1) General Statutes 7-148cc (Joint Performance of Municipal Functions); (2) General Statutes §7-339 (Interlocal Agreements) and (3) General Statutes §7-727a (Police Assistance Agreements). I will outline the provisions of each statute.

A. Joint Performance of Municipal Functions: General Statutes §7-148cc

General Statutes §7-148cc authorizes two or more municipalities to “jointly perform any function that each municipality may perform separately”. Each municipality is required to approve the agreement for joint action in the same manner as provided for the approval of an ordinance.

The statute requires the following minimum terms of the agreement: (1) a process for withdrawal from the agreement; and (2) that the agreement be reviewed at least once every five years to assess “the effectiveness of such agreement in enhancing the performance of the function that is the subject of the agreement”.

B. Interlocal Agreements: General Statutes §7-339a.

Chapter 105 of the General Statutes allows public agencies to develop and implement interlocal agreements to provide for a number of shared services, equipment and other assets.

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Unlike Section 7-148cc, participation in interlocal agreements are not limited to municipalities. The list of eligible services, equipment and assets is found in General Statutes §7-339b(a). It includes:

The exchange, furnishing or providing by one or more of the participating public agencies to one or more of the other participating public agencies, or the furnishing or providing for the joint use or benefit of the several participating public agencies, of services, personnel, facilities, equipment or any other property or resources for any one or more of the following purposes or uses: Fire prevention and fire fighting; police protection and police services; supply of water, gas or electricity; garbage collection and disposal; sewer lines and sewage treatment and disposal; refuse collection and disposal, and establishment or use of public dumps; storm drainage; establishment or use of airports or landing fields; public entertainment and amusement; establishment or use of parks, public gardens, gymnasiums, playgrounds, swimming pools, community centers, recreation centers or other recreational areas or facilities; establishment and preservation of open spaces; control of air and water pollution; planning services; engineering services; lighting; ambulance service; fire and police radio and communication systems, hospital service; public health services; mental health services; establishment or care of cemeteries; library or bookmobile services; suppression or control of plant and animal pests or diseases; flood control; water conservation; public shade tree protection services; traffic services; transportation services; redevelopment services, and publicizing the advantages of the region.

The procedure for creating interlocal agreements is found in General Statutes §7-339c. Among other things, the necessary steps include:

- (a) authorization of a proposed interlocal agreement by the legislative body of each participating municipality or public agency;
- (b) at least one public hearing to be held by each participating agency;
- (c) approval by each participating agency of the agreement must conform to the provisions of each local charter or ordinance as the case may be; and
- (d) allows the creation of an interlocal advisory board with representation from each participating agency.

The statute also requires certain provisions for any interlocal agreement. They are:

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- (a) a statement of the duration of the agreement, which may not exceed forty (40) years;
- (b) the purpose of the agreement;
- (c) provisions regarding the payment by a participating agency for receiving or obtaining services, personnel, facilities, equipment and other property or resources;
- (d) indemnification provisions;
- (e) governance provisions for the interlocal advisory board; and
- (f) provisions governing the adjudication or settlement of disputes.

The financing of all costs and expenses of administering an interlocal agreement must be approved in the same manner and according to the procedures established in each participating agency. The participating agencies may apply for federal or state aid in the same manner and subject to the same conditions and requirements as would apply if the interlocal agreement were not in force.

C. Police Assistance Agreements: General Statutes §7-277a

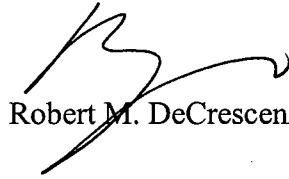
This section permits two or more municipalities to enter into an agreement for the temporary assignment of police personnel from one municipality to another. The agreement allows the chief executive officer of a participating municipality to request assistance from other participating towns when he or she determines it to be necessary "to protect the safety or well being of his municipality."

Determining which statutory procedure to use for a specific project is a function of the type of shared services contemplated, the formality and duration of the shared services arrangement and the number of participants included in the project. The interlocal agreement statutory scheme is recommended for most projects because it allows entities other than municipalities to participate and it includes a comprehensive statutory scheme for the contents and formalities of an agreement. I enclose a copy of an outline of an interlocal agreement. Any specific agreement will need to be carefully drafted to meet the desired outcomes of a specific case.

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I trust this responds to your inquiry. Should you have any questions, please do not hesitate to contact me.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. DeCrescenzo", with a large, sweeping flourish extending to the right.

Robert M. DeCrescenzo, Esq.

RMDe/psm

**INTERLOCAL AGREEMENT
BETWEEN**

[INSERT PURPOSE OF THE AGREEMENT]

WHEREAS [Town] and [Town] have[*insert purpose of the agreement*]; and

WHEREAS, General Statutes [section] authorizes interlocal agreements for the purpose of providing

WHEREAS, [Town] and [Town] wish to participate in an interlocal agreement authorized by General Statutes §7-339; and

WHEREAS, such an interlocal agreement would provide benefits to [Town] residents

NOW THEREFORE, to accomplish the goal of [*insert purpose*] that [Town] and [Town] adopt an Interlocal Agreement according to the following terms:

1. That the Town of _____ agrees to offer
2. That the Town of _____ agrees to offer
3. That [Town] and [Town] agree to follow the procedure for adoption of this Interlocal Agreement set forth in General Statutes §7-339c.
4. This Interlocal Agreement shall remain in effect for _____ () years, with the first year beginning on [Date], and the last year expiring on [Date]. The Interlocal Agreement shall automatically renew for successive terms of _____ () additional assessment years unless either [Town] or [Town] provides a written notice to the other of its election not to renew the Interlocal Agreement for another _____ () assessment years. Such notice must be provided at least thirty (30) days prior to the scheduled expiration of the original or any renewal term of the Interlocal Agreement. In no event shall the Agreement extend beyond 40 years from [date].
5. The purpose of this Interlocal Agreement is to provide
6. Provision for payment of the benefits afforded by [Town] to [Town] residents and by [Town] to [Town] residents shall be according to procedures mutually agreed upon by [Town CEO]and the [Town CEO].
7. Both [Town] and [Town] find that no interlocal advisory board as permitted by General Statutes §7-339f(5) is required to accomplish the purposes of this Interlocal Agreement;

8. Disputes arising from the operation or interpretation of this Interlocal Agreement that cannot be resolved by [Town] and [Town] shall be submitted to mediation and arbitration to the American Arbitration Association (AAA) according to its rules and procedures.

9. This Interlocal Agreement shall be governed by the laws of the State of Connecticut. Any changes to the Interlocal Agreement shall be in writing in a document duly executed by both [Town] and [Town]. The parties may separately execute counterpart originals of this Interlocal Agreement (and any amendments thereto,) which together shall be deemed to constitute one and the same agreement.

WHEREFORE, [Town] and [Town] have duly executed this Interlocal Agreement on the dates set forth below to be effective for the year commencing on _____.

TOWN OF _____

Its

Date

TOWN OF _____

Its

Date