

Withdrawal Agreement
By and Between
RSU 12 and the Town of Wiscasset Withdrawal Committee
DRAFT #4 (12/06/12)

This Agreement dated as of (insert date) by and between RSU 12, a Maine regional school unit comprised of the municipalities of Alna, Chelsa, Palermo, Somerville, Whitfield, Windsor, Westport and Wiscasset (hereinafter “RSU 12 or the “District) and the Town of Wiscasset Withdrawal Committee, a duly appointed municipal withdrawal committee for the Town of Wiscasset (hereinafter “Wiscasset #2 SAU” or the “Town”) organized in accordance with 20-A MRS Sec. 1466(4)(A).

1. **Purpose.** The purposes of this Agreement are:
 - a. To provide for the timely and orderly withdrawal of Wiscasset from RSU 12;
 - b. To provide educational continuity for those students residing in Wiscasset who wish to continue their education with RSU 12, and
 - c. To allocate RSU 12’s financial and contractual obligations, and its assets, between RSU 12 and the new administrative unit that includes, or is comprised solely of, Wiscasset, as of the effective date of Wiscasset’s withdrawal in a manner that fairly takes into account the continuing educational needs of students, the continuity of educational programs and the goal of mitigating where possible increases in property taxes as a result of the withdrawal. For the purpose of this agreement the term “Wiscasset #2 SAU” shall mean the Town of Wiscasset municipal school unit.

2. **Withdrawal.** Pursuant to 20-A MRS Sub Sec. 1466, Wiscasset #2 SAU shall withdraw from RSU 12 in accordance with the terms of this Agreement as of June 30, 2013 and thereafter shall no longer be a member of RSU 12. As of July 1, 2013 Wiscasset #2 SAU shall become a separate municipal school administrative unit comprised solely of Wiscasset.

3. **Provision for Educational services.**
 - a. **Grades K-12 Students** The Town will provide educational services for grades K-12 students, including those with special education needs, in the same manner that educational services were provided prior to Wiscasset joining RSU 12.

 - b. **Right to Continued Enrollment.** During the first year after withdrawal (July 1, 2013 to June 30, 2014) students residing in Wiscasset may attend the RSU school they would have attended if Wiscasset had not withdrawn from the District in accordance with 20-A Sec. 1466(4)(A)(1). The Superintendents of RSU 12

and Wiscasset #2 SAU shall determine this enrollment in accordance with applicable law. A student's right to continue to be educated at RSU 12 schools during the 2014-2015 school year may be discontinued to the extent provided by law, including without limitation suspension, expulsion, out-of-district placement, or enrollment in another public or private school.

4. **Tuition; Adjustments and Receipt of State Allocation.** In accordance with Chapter 219 of Title 20-A of Maine Revised Statutes, the Wiscasset #2 SAU shall pay tuition to RSU 12 for students residing in Wiscasset who are eligible under section three (3) of this Agreement and who elect to enroll in RSU 12 schools. Pursuant to 20-A MRS Sec. 1466(4)(A)(1), the tuition rate shall be determined under 20-A MRS Sec. 5805(1)1.

Charges for tuition are subject to other adjustments to the extent permitted by Chapter 219 of Title 20-A as may be amended from time to time.

Under 20-A MRS Chapter 606-B, the Essential Programs and Services Funding Act, the Wiscasset #2 SAU will receive the State education subsidy allocation for Wiscasset students attending RSU 12 schools on a tuition basis.

5. **Special Education.**
 - a. Wiscasset #2 SAU will provide special education services to all special education students within the Wiscasset #2 SAU in a manner that educational services were provided prior to Wiscasset consolidating with other SAUs and forming RSU 12. Wiscasset #2 SAU will adhere to all present statutory language and Department of Education Rules pertaining to the needs of special education students.
 - b. Should RSU 12 tuition special education students to Wiscasset #2 SAU that in addition to tuition payments and other charges under section 4 of this Agreement, when applicable, shall be responsible for the actual cost of special education for RSU 12 students that are tuition students in Wiscasset #2 SAU, including special education transportation costs and cost for facilities modification required to accommodate the student, or students, Wiscasset #2 SAU shall provide RSU 12 with invoices for such special education cost.

6. **Need for School Construction.** Withdrawal of Wiscasset from RSU 12 will not cause a need within five years from the effective date of withdrawal for Wiscasset SAU school construction projects that would be eligible for state funds, except to the extent that a need for school construction existed prior to the effective date of the withdrawal or when a need for school construction would have arisen even if Wiscasset had not withdrawn.

7. **Transportation**

- b. Transportation of Wiscasset #2 SAU students will be provided in the same manner as provided prior to Wiscasset consolidating with other SAUs to form RSU 12
- c. The titles of the busses previously held by Wiscasset will be returned to Wiscasset #2 SAU
- d. Wiscasset #2 SAU will need to either buy new busses or reach an agreement with RSU 12 that will transfer titles of some of the new busses purchased since 2010 even though it would mean Wiscasset #2 SAU would have to pick up the remaining payment balance.

8. **Distribution of Certain Financial Commitments and Services.**

- a. RSU 12 has a number of contracted employees (Appendix A) whose contract end 6/30/13, therefore Wiscasset #2 SAU would have no obligation of payment beyond 6/30/13 for those contracts that end 6/30/13. There are seven(7) contracts (Appendix A) that end 8/31/13 of which Wiscasset #2 SAU would be obligated to share in the cost of the two remaining months (July and August) of those contracts at the rate of 35.08% if those positions remain with RSU 12
- b. Should Wiscasset vote to withdraw from RSU 12 during the 2012 – 2013 school year Wiscasset will not be obligated to pay any part of new contracts for school year 2013 – 2014.

9. **Financial Commitments from Outstanding Bonds, Notes, and Lease Purchase Agreements.**

- a. There are four outstanding notes (Appendix B) that have been incurred since RSU 12 was formed, therefore under 20-A MRS Sec. 1466(16)(A), whenever a municipality withdraws from a regional school unit having outstanding indebtedness, the regional school unit remains intact for the purpose of securing and retiring the indebtedness, provided that the withdrawal agreement may provide for alternate means for retiring outstanding indebtedness.

- b. There have been three different bus purchases. The first was February of 2010 when RSU purchased three (3) new busses which will have a remaining balance of \$84,736.36 as of 6/30/13. The second was November of 2011 when RSU 12 purchased two (2) new busses which will have a remaining balance of \$130,960.00 as of 6/30/13. The third was September of 2012 when the RSU purchased two (2) new busses which will have a remaining balance of \$167,885.00 as of 6/30/13. Understanding that under 20-A MRS sub section 1466(16)(A) that when a municipality withdraws from an RSU that municipality still remains within the RSU for the purpose of retiring the indebtedness, therefore Wiscasset #2 SAU will be responsible for 35.08% of the indebtedness
- c. Effective upon the date of withdrawal the Wiscasset #2 SAU will assume and be solely liable at its own expense for the copier lease and maintenance agreement related to the copier machines located at the Wiscasset #2 SAU schools.
- d. By this Agreement any referendum vote to incur debt for the purpose of construction or renovation projects and/or new extended lease agreements by RSU 12 during the 2012 – 2013 will be held solely in the towns that have not voted to withdraw, even if such a decision is made prior to Wiscasset’s proposed withdrawal date of June 30, 2013.

10. **Undesignated Fund Balances.** Within thirty days of a finalized audit, RSU 12 shall pay Wiscasset #2 RSU the total of Wiscasset’s share (35.08%) of the undesignated fund balance as of June 30, 2013, calculated based on Wiscasset’s FY13 over EPS share of RSU 12 expenses. Funds required to pay 2013 summer salaries and benefits for work performed prior to July 1, 2013 shall not be included in RSU 12’s undesignated fund balance as of June 30, 2013 but rather shall be treated as encumbered funds to be used to pay FY 13 salary and benefit obligations of RSU 12.

11. **Collective Bargaining Agreements.** The Wiscasset #2 SAU shall assume the RSU 12’s existing collective bargaining agreements to the extent they cover employees of RSU 12 assigned to the schools of the Wiscasset #2 SAU at the end of the 2012-2013 school year and have a right to continued employment as of July1, 2013.

12. **Continuing Contract Rights** On June 30, 2013, the effective date of withdrawal, all continuing contract teachers then assigned to the Wiscasset Primary School, Wiscasset Middle School and Wiscasset High School shall become continuing contract teachers of Wiscasset #2 SAU.

13. **Disposition of Real and Personal Property.**

- a. Real Property: RSU 12 agrees to tender a Release Deed to the Town of Wiscasset of any and all property that was originally transferred to the RSU by the Town of Wiscasset upon consolidation, which release deed shall be expressly subject to the terms of this Agreement regarding securing and retiring outstanding indebtedness. See (Exhibit C) for copies of the original deeds.
- b. Personal Property: RSU 12 agrees that any and all personal property located in or on the Wiscasset #2 SAU schools as of the date of this Agreement will become the property of the Wiscasset #2 SAU upon withdrawal.
- c. Records: Any RSU 12 files and records in any form, including computer files, shall remain the property of RSU 12. Any of these records applicable to Wiscasset shall be made available to Wiscasset upon request, as permitted by law.

14. **Transition of Administration and Governance.** Upon withdrawal, the administration and governance of education for students residing in Wiscasset will be transferred directly from RSU 12 to the Wiscasset #2 SAU as of July 1, 2013. The Town will become a municipal school unit. If the Agreement is approved, until the election of the initial school committee, the duly elected RSU 12 board members from the Town of Wiscasset on the RSU 12 Board of Directors shall serve as a transition team for the Wiscasset #2 SAU for FY 14. The transition team will recommend a budget for the FY 14 school year and perform any other duties to ensure a smooth transition.

15. **Dispute Resolution.** Any dispute between Wiscasset #2 SAU and RSU 12 arising out of or relating to this Agreement shall be resolved in accordance with this paragraph. Either RSU 12 or Wiscasset #2 SAU may give written notice of a dispute arising out of or related to this Agreement to the other unit in person or by certified mail, return receipt requested. RSU 12 and Wiscasset #2 SAU shall attempt to resolve the matter through informal communication or negotiations for a period of Forty Five (45) days from the date of the receipt of notice. If the dispute has not been resolved within forty five (45) days either RSU 12 or Wiscasset #2 SAU may serve written notice to the other unit requesting mediation. The mediation shall be conducted in Maine by a mediator mutually agreeable to both units and shall not exceed one full day or two half days in length, and shall be completed within ninety (90) days from the receipt of the initial notice of request for mediation. If the units are not able to reach agreement with the assistance of the mediator than they retain all rights and remedies provided by law and the right to initiate and pursue litigation.

16. State and Local Approval. This Agreement is subject to approval by the Maine Commissioner of Education as required by 20-A MRS Sec. 1466(4)(B) and approval of the town of Wiscasset at a referendum conducted in Wiscasset as required by 20-A Sec. 1466(9). Approval by RSU 12 and Wiscasset of this Agreement constitutes approval for purposes of establishing the rights and responsibilities of RSU 12 and Wiscasset with respect to the matters of this Agreement.

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