

Appendix A

Updated List of Municipal Issues Regarding School Consolidation.

Falmouth

Kay Rand Memorandum dated November 2, 2007 to Nathan Poore, Town Manager,
Falmouth

Cumberland

William R. Shane Memorandum dated November 3, 2007 to Cumberland School
Consolidation Members

207 622-9671 main
207 626-0200 facsimile
bsgs.bernsteinshur.com

BERNSTEIN SHUR
Government Solutions

146 Capitol Street
PO Box 5057
Augusta, ME 04332-5057

Memorandum

To: Nathan Poore, Town Manager, Town of Falmouth
Cc: Geoffrey Hole, Esq., Sue Bell
From: Kay Rand
Date: November 2, 2007
Re: Updated list of Municipal Issues Regarding School Consolidation

Background: On October 24th, Kay Rand and Sue Bell met with the town manager and department heads to review a preliminary checklist of municipal/school financial, contractual, legal and operational relationships prepared by BSGS. The Falmouth officials identified a number of issues that will need to be more closely examined to determine how best to untangle the municipal/school relationship and affect an orderly reorganization of the municipal school department into a new Regional School Unit.

An inventory of issues was identified at that meeting under each of the topical headings prepared by BSGS. A meeting was held on November 2 with the town manager and selected department heads to delve into the issues that were identified, to develop a list of items for which additional research may be required, and to tentatively arrive at preferred outcomes for each of the action items. A fuller and more complete report from this updated list will be prepared for a later presentation to the Falmouth Town Council, then to the RSU Planning Committee.

Italicized items in the list are beyond the current scope of work which focuses only on the municipal side of the joint relationship.

Updated Checklist of Municipal/School Relationships in Falmouth that Need to Be Analyzed

1. Real Property

- a. High school generator purchased by Town to prepare building for use as an American Red Cross regional shelter
Action: Ask Town Attorney (Bill Plouffe) to review agreement with American Red Cross
Preferred Outcome: Commitment by RSU to allow high school to be used as regional shelter, perhaps codified in a Memorandum of Agreement
- b. Falmouth is on the list of school construction projects for 2011 to replace Lunt School (K-2) and Plummer-Motz School (3-4) which are both very overcrowded. Abandoned school buildings in the town need to be offered to the Town of Falmouth at no cost
Action: Existing state law (20-A, §4103) appears sufficient to assure that the schools will be offered to the Town if the school board determines that the schools are no longer necessary for school purposes -- since there is no debt on either school, they should be transferred back in that case at no cost to the Town
Preferred Outcome: Commitment by RSU to transfer Lunt and Plummer-Motz Schools to the Town
- c. Continued access to school facilities for use as polling sites
Action: Analyze historical use of schools as polling sites; Kay will follow up with Town Clerk
Preferred Outcome: Commitment by RSU to allow use of schools as polling sites
- d. Continued access to school facilities and school buses for use for community programs
 - i. Use of schools buses for recreational programming on early release days; summer day camp; Striders Running League
 - ii. Use of school facilities by Adult Education and Recreation Programs (Summer Day Camp; Summer Tennis)Action: Review all programs; identify all town uses of school property
Preferred Outcome: Commitment from RSU to allow uses to continue
- e. Tennis courts at the high school and School Park (nature trail and playground) were built with federal Land and Water Conservation (LAWCON) funds. Federal strings are attached to the receipt of LAWCON funds, including guaranteed public use as a recreational facility.
Action: Seek approval from LAWCON (National Park Service) to transfer facilities to the new RSU

Preferred Outcome: Transfer ownership and obligations for federal reporting and compliance to RSU

- f. Storage of school buses at Public Works if Middle School storage area is needed for drainage mitigation associated with the artificial turf field construction

Action: Determine whether Middle School storage area will be required for mitigation (Lucky will check with the turf project engineer)

Preferred Outcome: Use alternative site for mitigation (River Point Park is a potential option), there are space issues at Public Works

- g. Need for easement to maintain pump station located adjacent to the Middle School on what will become RSU property

Action: Draft easement

Preferred Outcome: Negotiated easement with School Department that will be honored by RSU

- h. Superintendent's office is on municipally owned property

Action: Verify ownership; conduct title search

Preferred Outcome: To be determined

2. Personal Property

- a. Equipment such as soccer goals and basketball equipment used jointly by school and community programs

Action: Develop list of personal property (Matt in Community Programs) and how it was acquired

Preferred Outcome: Allow continued used by Community Programs; notify donor of the equipment of the proposed transfer

3. Debt (Bonds, Notes, Lease Purchase Agreements)

- a. \$4 million of local debt issued for high school

Action: Examine details of bond covenants to determine whether there would be issues preventing a transfer; determine bond holder notification requirements and process (John to discuss with bond counsel). Do not transfer local debt if other communities within the RSU do not transfer local debt.

Preferred Outcome: Do not transfer remaining debt (\$3,164,300 as of 6/30/08) to RSU.

- b. Capital leases for 4 buses estimated at \$76, 343

Action: Confirm with Gorham Savings Bank the ability to transfer the lease to the RSU

Preferred Outcome: Transfer lease purchase agreement to RSU with remaining debt

4. Legal Obligations/Contractual Commitments

- a. Agreement Regarding the Stadium Field between the Town, School and Falmouth Education Foundation d/b/a Game On
 - Action: Review agreement to determine whether provisions requiring reimbursement for the costs of the artificial turf; granting exclusive right to the Town to rent and manage the stadium field; and to collect and maintain rental fees continue to be necessary
 - Preferred Outcome: Commitment by RSU to honor the obligations committed to by the Falmouth School Department that are outlined in the agreement
- b. Agreement with American Red Cross – use of high school as regional shelter (see 1a)
 - Action: Ask Town Attorney (Bill Plouffe) to review agreement with American Red Cross
 - Preferred Outcome: Commitment by RSU to allow high school to be used as regional shelter, perhaps codified in a Memorandum of Agreement
- c. Town Charter
 - Action: Charter contains terms limits and recall provisions for school board members that will not pertain to the new regional school board
 - Preferred Outcome: These are policy decisions that need to be discussed by the Council to determine whether any action is necessary
- d. Falmouth ordinance re: Use of Town and School Facilities (Article III)
 - Action: Review to determine whether there are any rights, obligations or restrictions regarding school property or operations that the RSU should continue to honor; consider amending the ordinance to reflect new school organization
 - Preferred Outcome: The ordinance creates a right of priority use of school facilities for Falmouth organizations and Falmouth residents that should become an obligation of the RSU
- e. Falmouth ordinance re: Parks and Public Lands
 - Action: Review to determine whether there are any rights, obligations or restrictions regarding school property or operations that the RSU should continue to honor
 - Preferred Outcome: To be determined
- f. Falmouth ordinance re: Sexual Orientation
 - Action: Review to determine whether there are any obligations pertaining to the Falmouth School Department that should be extended to the new RSU
 - Preferred Outcome: To be determined

- g. Cable TV Franchise Agreement with Time Warner
 - Action: Review terms of agreement requiring coverage of Falmouth School Board meetings
 - Preferred Outcome: Negotiate with Time Warner to ensure continued coverage of new RSU School Board meetings on the local access channel

5. School Finances

- a. Disposition of existing school revenues and obligations – do they get transferred or retained by the Town for use by Falmouth residents only?
 - i. Balances
 - ii. Reserve Funds
 - iii. Scholarship Funds
 - iv. Trust Funds

Action: A review indicates that there is a \$180,000 construction retainage; a \$300,000 capital reserve; a \$500,000 unallocated reserve; and \$169,398 in a school activity account; **determine whether these accounts should reduce Falmouth's contribution to the RSU pursuant to section 1463, subsection 3**

Preferred Outcome: Allow these funds to be transferred to the RSU for appropriate purposes as determined by the Falmouth School Department with potential offsetting reduction

6. Personnel

- a. School Resource Officer/DARE Officer – employee of Falmouth Police Department
 - Action: Determine appropriate role for this position in the new RSU; determine cost to Town of this position, including associated expenses such as DARE supplies
 - Preferred Outcome: For public safety purposes, it is critical that this position be retained and used by Falmouth schools; negotiate financial commitment from RSU to support position for 10 months each year
- b. School personnel in Town's retirement plan
 - Action: Work with Maine State Retirement System (MSRS) to determine process for amending Falmouth's Participating Local District Plan; assess compliance of MSAD #51 with MSRS requirements to offer participation to all new employees
 - Preferred Outcome: Work with MSRS and MSAD #51 to transfer school, non-teacher personnel out of municipal plan and into a new non-teacher RSU retirement plan with MSAD #51 non-teacher school personnel
- c. *Collective bargaining agreements - any show stoppers?*
- d. *Personnel policies – any significant disparities of financial significance?*

7. Operational Policies/Procedures/Agreements

a. Joint municipal/school operations

i. Maintenance of school buses by Public Works

Action: Review time spent and cost of maintaining buses; estimated preliminarily to be 25% of total time spent by the Public Works department

Preferred Outcome: Encourage RSU to consider all options for possible cost savings including but not limited to using Falmouth Public Works Department for all school bus maintenance activities, provided this is also the best option for the Town of Falmouth.

ii. Manage school facility use and scheduling by Community Programs

Action: Determine time spent managing and scheduling uses; it is done on-line

Preferred Outcome: Retain the responsibility for managing and scheduling uses with the Town to allow access and efficiency of one-stop shopping.

iii. Adult education is imbedded as a program managed by Community Programs

Action: Determine time spent managing and scheduling adult education programming; town performs all the administrative work associated with this program

Preferred Outcome: Retain responsibility for managing and scheduling adult education program for Falmouth residents with the town

iv. Police Department cameras monitor school exterior; Falmouth PD in charge of school security measures

Action: Determine time spent monitoring school cameras and importance of this continued activity

Preferred Outcome: Maintain use of Falmouth PD in this capacity, offer security system software and program to other schools in RSU

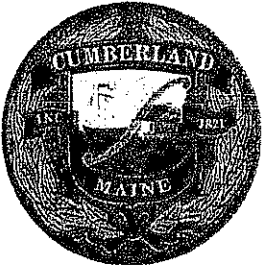
v. Police Department presence at school events

Action: Determine time spent at school events and revenue received

Preferred Outcome: A police presence at these events is critical and in some cases (hockey rink) is mandatory. RSU should continue to use Falmouth PD in this capacity.

vi. Maintenance of tennis courts on school property by Public Works

Action: Determine time spent maintaining tennis courts – are all costs covered?



MEMORANDUM

TOWN OF CUMBERLAND, MAINE

290 TUTTLE ROAD

CUMBERLAND, MAINE 04021

TEL: 207-829-2205 FAX: 829-2224

To: Cumberland School Consolidation Members
From: William R. Shane, Cumberland Town Manager
cc: Ken Cole, Town Attorney
Cumberland Town Council
Subject: Updated list of Municipal Issues Regarding School Consolidation
Date: November 3, 2007

Background: On November 3rd, I received a copy of the "Updated list of Municipal Issues Regarding School Consolidation" from Nathan Poore the Falmouth Town Manager. The memo was prepared by attorneys from Bernstein Shur and paid for by the Town of Falmouth. The memorandum provides an excellent outline structure for the issues for the Town of Falmouth regarding the Consolidation. Cumberland Town Councilor Shirley Storey King and I have been in constant communication on all issues revolving around school consolidation and she and I both feel that the format presented by Falmouth is an excellent structure to follow for the Town of Cumberland.

Because Cumberland is part of MSAD 51, many of the issue raised by Falmouth are not applicable to Cumberland. MSAD 51, in fact, functions as a mini-RSU. We have enjoyed a productive and positive relationship with Dr. Robert Hasson, Superintendent, and Mr. Scott Poulin, Business Manager, during my tenure here as Town Manager and believe the relationship with the RSU will be the same.

The following list of issues is formatted identically to Falmouth's memo and I hope will provide our consolidation team members a side by side comparison. Thank you to Nathan Poore and his staff for identifying the key elements from the municipal side in a concise and easy to follow manner.

Updated Checklist of Municipal/School Relationships in Cumberland that Need to Be Analyzed

1. Real Property

- a. **The Town purchased a portable generator** to prepare the Drowne Road School building for use as an Emergency Shelter and the primary School Evacuation site for the Middle and High School.

Action: To develop a formal agreement with MSAD 51 for use of the Drowne Road School and ask Town Attorney (Ken Cole) to prepare document for MSAD 51 review.

Preferred Outcome: Commitment by RSU to allow Drowne Road School to be used as regional shelter, perhaps codified in a Memorandum of Agreement (MOA)

- b. **Drowne Road School** housing only third grade presently may be a candidate for closure. The Town and MSAD have sold this school back to each party over the past years and there is an outstanding bond on the last improvements done at the Drowne Road that should be reviewed.

Action: None at this time, existing state law (20-A, §4103) appears sufficient, requiring schools that are no longer necessary for school purposes to be transferred to the municipality

Preferred Outcome: Commitment by RSU to transfer Drowne Road School to Town if the use as a school is no longer necessary.

- c. **Continued access to school facilities for use as polling sites**

Action: Not Applicable

- d. **Continued access to school facilities and school buses for use for community programs**

- i. Use of schools buses for recreational programming on early release days; summer day camp, etc.

- ii. Use of school facilities by Adult Education and Recreation Programs including Summer Day Camp

Action: Review all programs; identify all town uses of school property and current payment structure to MSAD 51 for uses of school buses.

Preferred Outcome: Commitment from RSU to allow uses to continue

- e. **Tennis courts at Val Halla** were built with federal and Town funds

Action: Determine Federal funding requirements and seek Federal approval (if necessary) to transfer facilities to the new RSU

Preferred Outcome: Transfer ownership and obligations for federal reporting and compliance to RSU

f. Storage of school buses at Public Works

Action: Determine extent of storage area needed for buses outside of MSAD 51 property and design /construct parking and plug-in facilities for winter bus storage if buses are intend to remain in Cumberland. (Requires Planning Board approval)

Preferred Outcome: Use alternative site mutually accessible to all RSU members for bus storage and maintenance.

g. Pump Station Easement - Not applicable to Cumberland

h. Superintendent's office – Not applicable to Cumberland

2. Personal Property

- a. The Town and MSAD 51 have independently purchased equipment such as soccer goals and basketball equipment which have been used by the MSAD and community recreation programs

Action: Develop MOA with MSAD for continuation of past practice.

Preferred Outcome: A seamless transition to allow continued used by Recreation Department and new RSU of equipment purchased for MSAD and Recreational programs.

3. Debt (Bonds, Notes, Lease Purchase Agreements)

- a. **Local debt** issued for High School addition and all other Schools

Action: MSAD in collaboration with Town of Cumberland and North Yarmouth will determine local debt allocations. Town of Chebeague Island may also be required to participate in debt repayment schedule.

Preferred Outcome: Transfer remaining debt to RSU

- b. **Capital leases** – MSAD 51 will need to supply information for this section

- c. **Drowne Road School Lease Purchase-** The Town and MSAD 51 entered into a Lease purchase agreement for Drowne Road school in March of 2003. The Agreement requires annual payments of \$182,240.52 through March 31, 2014 to the Town of Cumberland.

Action: Review documents and establish procedures for transfer of lease purchase agreement.

Preferred Outcome: Transfer agreement to RSU

4. Legal Obligations/Contractual Commitments

- a. **Memorandum of Understanding (MOU)** regarding modifications to Twin Brook Park Athletic Fields on the Greeley Road between MSAD 51 and Kay and Greg Fowler needs to be transferred to RSU.

Action: Review agreement to determine whether provisions requiring removal of scoreboards, backstops, pitching / batting cages, goal posts and other appurtenances continue to be necessary
Preferred Outcome: Commitment by RSU to honor the obligations of the existing MOU and to transfer document from MSAD 51 to new RSU.

- b. **Agreement with American Red Cross** – not applicable today, but would like to continue to develop Drowne Road School into Disaster Shelter for catastrophic events.

Action: Ask MSAD 51 to determine feasibility of request.
Preferred Outcome: Commitment by RSU to allow Drowne Road School to be used as regional shelter, perhaps codified in a Memorandum of Agreement

- c. **Town Charter**

Action: Article V of the Town Charter: School Administrative District:

- i. Management
- ii. Qualifications
- iii. Vacancies
- iv. Terms of Office

The Town Attorney will review and recommend to the Town Council if a Charter amendment or a Charter Commission will be needed to make the changes to the Town Charter once the RSU is established.

Preferred Outcome: These are policy decisions that need to be discussed by the Council and hopefully only a Charter amendment will be necessary since the action was caused by the Legislature.

- d. **Cumberland Zoning Ordinances re: Municipal Uses**

Action: Consult with Town attorney and review ordinances to determine if the Town's zoning includes definitions and district uses for "School Uses". Typically, Public School uses have been interpreted as municipal, but a clear definition and permissive uses in the Town Zoning districts may be in order to eliminate confusion or misinterpretation.

Preferred Outcome: Change the Town Ordinance to reflect new School Structure.

e. **Cumberland re: Parks and Public Lands Policies**

Action: Review to determine whether there are any rights, obligations or restrictions regarding Town properties or operations that the RSU should continue to honor; such as, Twin Brook Facility Use Policy, Rines Forest Facility Use Policy, etc. Also Cumberland has a land purchase policy that incorporates Town and MSAD 51 needs that will need to be modified.

Preferred Outcome: To be determined

f. **Cumberland Personnel Policy re: Sexual Orientation**

Action: May not be applicable, but the Town of Cumberland has a sexual orientation policy as part of its Personnel Policy that's should be reviewed to determine whether there are any obligations that should be extended to the new RSU.

Preferred Outcome: To be determined

g. **Cable TV Franchise Agreement with Time Warner**

Action: There is no Time Warner agreement requiring coverage of MSAD 51 School Board meetings. It strictly is a local broadcast requirement; however, when MSAD 51 meetings are broadcast in North Yarmouth they can not be seen in Cumberland unless our station is shut down.

Preferred Outcome: Negotiate with Time Warner to ensure continued coverage of new RSU School Board meetings on a **new local educational access channel that can be seen by each community.**

h. **Lease Agreement – Greely Road Fields Twin Brook**

Action: The Town and School have a perpetual lease on the parking lot, access road, baseball, football, softball and future field hockey field at Twin Brook. The MSAD is required to maintain the facility and permit all improvements through the Planning Board.

Preferred Outcome: Transfer Lease Agreement to RSU and clearly define maintenance responsibilities. Presently, the Town and MSAD exchange custodial services for maintenance of these fields, the parking lot and road.

5. School Finances

- a. Disposition of existing school revenues... MSAD Policy Issue
 - i. Balances
 - ii. Reserve Funds
- b. **Scholarship Funds and Trust Funds** for Cumberland and North Yarmouth residents held by the Town of Cumberland
 - Action: A review by the Cumberland Finance Director will be needed to determine the value and annual disbursement of each fund
 - Preferred Outcome: Allow the existing scholarship and trust funds to remain with Cumberland and be distributed by the present Scholarship Committee structure for Greely Students (this will maintain the spirit in which the trust funds were established).

6. Personnel

- a. **School Resource Officer/DARE Officer** – employee of Cumberland Police Department
 - Action: Determine appropriate role for this position in the new RSU; determine cost to Town of this position, including associated expenses such as DARE supplies
 - Preferred Outcome: For public safety purposes, it is critical that this position be retained and used by Cumberland schools; negotiate financial commitment from RSU to support position for 10 months each year (this will represent an increase in the present funding model with MSAD 51 from \$25,000 per year. New funding under the 10 month proposal would be closer to \$58,000 per year).
- b. **School personnel in Town's retirement plan** – Not applicable
- c. *Collective bargaining agreements* - Not applicable
- d. *Personnel policies* – Not applicable

7. Operational Policies/Procedures/Agreements

- a. **Joint municipal/school operations**
 - i. **Maintenance of school buses** by Public Works – Not Applicable
 - ii. **Manage school facility use and scheduling** by Community Programs
 - Action: Determine time spent managing and scheduling uses
 - Preferred Outcome: Retain the responsibility for managing and scheduling uses with the Town.

- iii. **Adult education** is imbedded as a program managed by the Recreation Department.
Action: Determine time spent managing and scheduling adult education programming; town performs all the administrative work associated with this program cost is currently split with MSAD 51 for state certified Adult Education Director.
Preferred Outcome: Retain responsibility for managing and scheduling adult education program for Cumberland and North Yarmouth residents with Cumberland
- iv. **Police Department** cameras monitor school exterior scheduled in current High School renovation plans.
Action: Determine time spent monitoring school cameras and importance of this continued activity
Preferred Outcome: Maintain use of Cumberland PD in this capacity, offer security system software and program to other schools in RSU
- v. **Police Department** presence at school events
Action: Determine time spent at school events and revenue received
Preferred Outcome: A police presence at these events is critical. RSU should continue to use Cumberland PD in this capacity.
- vi. **Maintenance of tennis courts** on Town property at Val Halla by Town Staff
Action: Determine time spent maintaining tennis courts -- are all costs covered?
Preferred Outcome: Courts have recently been refurbished by the town, maintenance required is minimal. Transfer maintenance responsibility to the RSU- need to budget \$4,000 annually to cover costs of re-painting and new lines every 5 years (last painted 9/2007)
- vii. **Management of insurance claims** – Not applicable to Town.

- viii. **Present exchange of personnel and equipment resources** between MSAD 51 and Town of Cumberland may need to be formalized for snow plowing, paper supply and storage, building maintenance, tree removal, minor construction services, field maintenance, maintenance staff assistance, parking lot striping, signage assistance, daily custodial services, building cleanings and carpet cleanings, etc.

Action: Determine actual costs of services- a conservative estimate for annual savings to both MSAD 51 and Town of Cumberland is \$50,000.

Preferred Outcome: To be determined.

b. Joint municipal/school procedures

- i. Joint Emergency Safety Plan- Shared but not directly applicable
- ii. Joint Safety Team – Not Applicable

8. Pending lawsuits, complaints, other legal claims

- a. Against Town of Cumberland which implicate school - None

9. Information Technology Systems – Not applicable

10. Insurance Coverages – Not applicable

11. Cost sharing

Action: Understand impacts to Cumberland

Preferred Outcome: Advocate for a cost-sharing arrangement that is fair to all taxpayers served by the RSU

12. Governance

Action: Discuss representation options with the Council; have RPC liaison represent Council's position

Preferred Outcome: A fair representation on the RSU Board for Cumberland residents

13. Process and Communications Issues

- a. *Since the plan to form the RSU will need to be approved by public vote, it is critically important for the Council to be centrally involved in the RPC deliberations, to be in a position to endorse the conclusions of the RPC and be an advocate for the plan with the general public.*

Action: Council representative on the RPC should continue to keep the council abreast of RPC deliberations; town manager should continue to attend all RPC meetings (**Will require Council endorsement in Cumberland**)

Preferred Outcome: Town Council able to support the consolidation plan and be an advocate for its adoption at referendum. The ultimate preferred outcome is adoption of the plan and a successful implementation of the merger - creating enhanced and a more robust educational program for students and cost efficiencies for the taxpayer.