amount a municipality contributes towards K-12 public education. If this may not be the case, the Department of Education would support a Private and Special Act to exempt the members of our RSU from the 2 mil requirement.

6. There is no bar or state-created impediment to local communities raising and spending local tax revenues for education above EPS levels as they see fit. Reference in the bill to savings in cost centers including special education, transportation, administration, plant and maintenance refer only to reductions in the state allocation. In this regard, if the estimate of savings provided in a proposed district's reorganization plan is zero, that will not be an obstacle to approval of the plan.

We hope this enumeration accurately reflects your recollection of our conversation. We await a letter in your name confirming these understandings. If possible we would appreciate the confirmation prior to our regional meeting on June 28, as we wish to move forward without delay.

Again, our thanks to you for sharing with us our communities' desires to continue to support and administer education for our students in a locally attentive and supportive manner.

Very truly yours,

Gail Marshall

Brian Hubbell

Paul Murphy, Board Members, Union 98

Robert Liebow, Superintendent Union 98

Cc: Dennis Damon Hannah Pingree Theodore Koffman Susan Gendron, Commissioner State of Maine Department of Education 23 State House Station Augusta, ME 04333-0023

Re: 5 June 2007, meeting with Union 98

Dear Commissioner Gendron:

We are writing to confirm the content of our discussion with you on June 5, 2007, in House Majority Leader Pingree's office.

On what must have been one in a long series of challenging days, we appreciate that you gave generously of your time to us. Your follow-through to accommodate our concerns later that evening was evident in House Amendment Q (and subsequently Amendment T). For that we also thank you.

Now that the Department and our schools and communities turn to the task of attempting to implement this law in a manner that best serves our students, we look forward to building on the understandings reached during those conversations. Towards that end, this is our articulation of the subjects upon which we believe we reached consensus with you.

- It is within the purview of communities to determine the composition and functioning of our reorganization committees, knowing full well that ultimately we will need voter approval for whatever plan emerges. Our interpretation is based upon our conversation about the guidelines you will provide regarding reorganization planning committees pursuant to §1461.2. You advised they would neither restrict nor prescribe local decisions about composition and operation of those boards. The guidelines will be advisory, not mandatory.
- 2. The current members of Union 98, plus Trenton, if they are so inclined, will qualify for an exception to the size requirement in §1461.3.B, on the basis of geography and demographics. Further, it is understood that current members Cranberry Islands and Swan's Island may choose to make other arrangements because they are outer islands. Those arrangements may include, but are not limited to joining our RSU or contracting with it for services.
- 3. The regional school unit board may grant broad powers to municipal or local school committees. Among those are powers over policy and purse, including but not limited to the right for each board and the community it serves to create, raise, appropriate and administer its own elementary school budget exclusively within that municipality. See also §1481: …"Notwithstanding any provisions of law contrary, a municipality within a regional school unit may raise money and direct the spending of the funds, to a school serving children from kindergarten to no higher than grade 8."
- 4. A municipality may retain ownership and control of the school facilities within its town if the RSU and the town so choose. A lease provided to the RSU for a nominal sum of money may satisfy transfer of ownership requirements.
- 5. There is a recognition that the minimum 2 mil required contribution to the total cost of education is designed to require at least minimal support of education by towns that have students but do not have schools, and is not designed to shift more tax liability to citizens in towns who already make significant payments to education in their communities. Specifically, you understand that the town of Mount Desert already spends 2.6 mils for all K-12 education, which includes almost twice as much per Mount Desert pupil at MDIHS than any of it's counterparts contribute. Therefore, §15688, sub-3-A.B-1 may be interpreted by our RSU to apply the 2 mil requirement to the total