

**RSU21 SCHOOL BOARD MEETING
MONDAY, MAY 17, 2010
KENNEBUNK TOWN HALL**

Attendance: Chairperson, Maureen King; Vice Chairperson, Tim Hussey. Directors: Pam Richard-Wuerthner, Norm Archer, Bob Domine, Kevin Knight (absent), Art Leblanc (absent), Leia Lowery, Jack Reetz, John Sharood, James Smith, and Gayle Spofford. Student Representatives: John E. Price and Chloe Littell Simpson (absent).

Reorganization Planning Committee (RPC) Members in Attendance: Stuart Barwise, Gayle Spofford, Jack Reetz, Dana Peck, Pam Richard-Wuerthner, John Sharood, Steve Kingston, Dan Boothby, and Larry Mead (filling in for Leo Martin). Attorney Bryan Dench (Skelton, Taintor, Abbott) was in attendance for the Special Report part of the meeting.

I. CALL TO ORDER

II. PLEDGE OF ALLEGIANCE

III. INTRODUCTION OF BOARD MEMBERS AND GUESTS

IV. SPECIAL REPORT

Regional Planning Committee (RPC) Debt Service Discussion

Introduction of Regional Planning Committee: charge and membership – Chairperson King reviewed the RPC beginnings.

Overview of Cost Sharing Issue – Superintendent Dolloff did an overview of cost sharing. He explained debt service, which consists of state allocated debt and local-only debt. He shared the history of state-allocated debt service, and the status of existing debt service. He explained that earlier this spring, when developing budget documents for FY11, the Finance Committee discovered what some of them believe to be a discrepancy in the calculation of state-allocated debt service for FY10 and FY11. The district allocated this debt service according to the state-approved formula based on pupil count and the language of the consolidation plan. Members of the Finance Committee who were also present for Reorganization Planning Committee (RPC) meeting in 2008 felt that this allocation of debt did not accurately reflect the plan that had been communicated to voters, prompting the committee to report the \$324,000 discrepancy to the full Board of School Directors.

Clarifying questions and discussion by RPC members – Stuart Barwise thought the debt service could only be determined with local only monies and the state allocations were by statute and EPS. Superintendent Dolloff explained the state-allocated debt formula can be adjusted if the RSU proposes a change and if the voters confirm, the state-allocated debt formula is grounded in statute and is currently the only way the RSU can allocate debt. Gayle Spofford thought the 60/40 included debt and was not spoken about separately, she thought local meant MSAD71 and Arundel. Jon Renell (via email) thought local debt was separated by towns. It is clear that Arundel would not be responsible for Kennebunk/Kennebunkport pre-existing debt. Mr. Barwise left out local-only when making the motion at the August 19, 2008 School Board minutes regarding over-EPS cost sharing. John Sharood thought the fundamental issue, at the time, was cost sharing and school closing (there were too many square feet for the new RSU) and the RPC was barred from doing anything about it. He thought the per pupil count in Kennebunk would bear it because EPS could not be changed. The only way to address the extra cost was to do it over EPS or in the debt combination. John Sharood understood all debt service would be on the charter formula. At the August 27, 2008 meeting the formula was changed from 50/50 to 60/40. The words local-only were not in the September 29 revision of the consolidation plan, the words showed up in the October 4, 2008 revision of the plan. A suggestion was made to reconvene the RPC to find out what their intent was in regards to debt service. Jack Reetz thought the intent of the debt service was to keep the existing formula. Pam Richard-Wuerthner thought local only encompassed any debt and continued on the path of the charter formula. John Sharood explained the Kennebunk Selectmen would not have supported the consolidation plan and he would not have supported the plan if the words local only were included. His understanding was the entire debt would be shared according to the old charter. Superintendent Dolloff explained the words local only were inserted before the word debt in the consolidation plan that was approved by the state (October 4, 2008 revision). Superintendent Dolloff was not superintendent when the consolidation plan was devised, but he reported the RSU has been following the letter of the law. The October plan,

with local only wording was approved by the state because the formula agreed with state law, and it was adopted by the board. The plan would not have been approved by the state without the “local only” language. Gayle Spofford remembers at the last meeting of the RPC the committee was requested to sign the October 4 document for submission, two RPC members did not sign it, and she was one of them. Her reasoning for not signing the plan was the committee wanted to write in the penalty amount as savings and she did not agree with this action. She understood local only was separating the debt of MSAD71 from the debt of Arundel. Ms. Spofford did not realize that local only had a legal meaning. Dana Peck recalls time constraints, he was co-chair of the RPC, and at the time he was concerned with Arundel issues and was not cognizant of the language in the plan. He was not aware of the language difference and what that meant. Mr. Barwise said Kennebunkport would not have supported the plan if there was a change in distribution of debt. He explained the 60/40 was Kennebunkport’s concession to the consolidation plan. He thought the only things being discussed at that time were the percentages of 50/50 or 60/40. Maureen King said her understanding was that local only was the debt of MSAD71 and Arundel and for her that meant all MSAD71 debt would be shared at the charter formula. When the elementary and middle schools were built Ms. King thought MSAD71 signed on to that debt. In the plan it was agreed to take back the debt MSAD71 agreed to when the schools were built. Mr. Barwise explained the plan says continuing not going back to. Maureen said she thought the charter formula would be used as it had been chartered 45 years ago between Kennebunk/Kennebunkport.

Possible Paths to Resolution – Ms. Spofford thought regardless of next steps the RPC takes, in the end what happens has to go back to voters. If the school board recommends a change in the plan, it will have to go to the voters. Superintendent Dolloff said his understanding is three options, (1) leave the cost sharing as it, (2) make a change, seek private and special legislation which would require action by the legislature and the voters, (3) adjust cost sharing from other areas to offset the \$324,000 difference, and that would require action by the RSU Board and the voters. If the solution is to change the state allocated funding formula it has to go before the legislature. If the solution is to share other costs differently (local only), and change the cost sharing formula in the consolidation plan, that would have to be approved by the voters and not the legislature. Mr. Dench said all drafts of the consolidation plan up until the last one had a 70/30 split that would apply to existing debt. The plan does not state a difference between local only and state funded, “local only” was added into the last draft of the plan. He doesn’t know any more than that. Mr. Dench said there was one other possibility, the statues talk about allocation in the cost sharing agreement in the consolidation plan that can be structured in a variety of ways, but the amount of debt the state subsidizes cannot be increased. Mr. Dench suggested working on changing the cost sharing formula and get approval of the voters.

Discussion with audience members – Representative Gary Connor would like to move forward and look at fixes, and he is willing to help at the state level, if needed. Representative Ed Legg would also get involved, as well as the senators.

Norm Archer suggested if the RPC agreed the RSU could vote to move this along. He thought there seemed to be much ambiguity between what everyone recalls. He thinks it is fair for the RPC to get together and come to a deal that is clear, come back to the board and put it to a vote. Rep. Legg said the legislature doesn’t like to get involved in local problems. He would like to see a resolution done by the entire district and not see a major conflict between the towns. Dan Boothby, former Kennebunk selectman and RPC member, felt the consolidation law was forced on the RPC and he would like to see this issue resolved quickly for the sake of the three towns. Jim Smith said during his past several years on the board he is most proud of the ability each board member has to leave their town hat home. He never got the impression that a board member voted on town lines, they voted to promote good education for all the students in the communities. He thinks if this issue is dropped in the RSU Board’s lap, it could poison their actions from this point forward. He thinks the RPC should get together and work this out, and the RSU should stay above it because ultimately the students would be better served. John Sharood thought the RSU should decide what comes next. Maureen would like to go back to the guiding principles of the consolidation plan.

V. PUBLIC INPUT
none at the time

VI. CONSENT AGENDA ITEM(S)

A. Approval of May 3, 2010 School Board Minutes

B. Nomination of Teachers – Going onto continuing contract – Jennifer Kugler, Lisa Farrell, Kristine Casey. New hires - Janet Wendle, Kennebunkport Consolidated School, grade two position, 2010-2011. Salary, Step 14, MA, \$58,024. Lindsey Hansen, Middle School of the Kennebunks, science teacher, Salary, Step 0, BA, \$33,137. **A MOTION WAS MADE TO APPROVE THE ABOVE MINUTES AND THE NOMINATION OF TEACHERS (PAM RICHARD-WUERTHNER), SECONDED: (JIM SMITH). VOTED: 10-0.**

VII. AGENDA ADJUSTMENT(S)

None at the time

VIII. OLD BUSINESS/COMMITTEE REPORTS

A. Facilities Committee – The meetings are now held weekly and can be heard on the website podcast. The committee reviewed concept plans prepared by Harriman and no decisions have been made at this time. They continue to work on the state applications and are on schedule for a timely filing by the June 15 deadline. The Strategic Plan will be tied into the Facilities Study and there will be a formal presentation to the board in June. It will not be the final presentation but a detailed report for the board and the public.

B. Strategic Planning Committee - Director Lowery reported out on the last meeting. The committee reviewed the Strategic Plan and hopes to bring a draft to the board at the June 7 meeting. This committee is also meeting weekly, at this time. The next school board will most likely approve the Strategic Plan. There needs to be a public forum sometime in the fall before the plan can be adopted.

C. District Advisory – The committee met and Superintendent Dolloff caught them up to speed on the committee work being done throughout the district. June 9th will be the last meeting of the school year.

Director Reetz would like a Finance Committee Meeting scheduled for Friday, May 21 to discuss the budget. If the budget is approved by the voters, the meeting will be canceled.

IX. NEW BUSINESS

(MAUREEN KING) ENTERTAINED A MOTION THAT THE RPC RECONVENE TO LOOK AT SECTION 6 (DEBT ISSUE) AND SECTION 13B (COST SHARING), MOVED: (NORM ARCHER), SECONDED: (LEIA LOWERY).

After much discussion an amendment to the motion was made to clarify the above motion. **A MOTION TO ASK THE RPC TO RECONVENE TO LOOK AT THE COST SHARING ISSUE AND ADVISE THE RSU BOARD ON HOW TO MOVE FORWARD (NORM ARCHER), SECONDED (LEIA LOWERY).**

Director Domine would like to see the issue turned over the boards of selectmen in Kennebunk and Kennebunkport and have the issue resolved outside of the RSU board. Director Sharood agreed he did not want the decision made at the board level. He would like the RPC to go back and sort it out. Vice Chair Hussey supports the RPC getting together to try and find a solution and come to a consensus they can bring to the RSU school board for a vote. Director Spofford wondered if the RPC comes back to the board with a recommendation and the board approves it, will that have an impact on future debt service. Chairperson King thought it would depend on what part of the plan is changed, but if the RSU just looked at the existing debt, which was what the RPC was charged with, the RSU could write the language that it only looks at the existing debt and not the future debt. Director Reetz thought it would be difficult to reconstruct the RPC. He would like to avoid involving the selectmen because they have a vested town interest and most likely would not come to a conclusion that was in the best interest of the RSU. Director Reetz thought the RSU should come up with the financial recommendations and solutions. The existing language, in the plan, separates future debt and it will be shared proportionately according to the formula. Director Domine thought the RPC might come up with a middling solution to split the difference and if this is what will happen he would like the RSU to do it now. Director Sharood did not think giving the decision to the selectmen was a good idea. He thinks this RSU must deal with the issue. Director Lowery thought the RSU should just jump in and make the decision. Director Smith thought the recommendations should come from the RPC. Director Archer would like to see the RPC input. Director Spofford would like to see the RPC members have one workshop to talk about the options in constructive ways and look at the issue that will affect all three towns. She would like the ideas the RPC comes up with shared with the RSU for discussion. Director Spofford said she has never seen dividedness on this board and will

vote against the motion. Director Sharood agrees there should be a onetime workshop. **THE MOTION WAS MOVED. VOTED: 8-2 – (OPPOSED – MAUREEN KING, TIM HUSSEY, PAM RICHARD-WUERTHNER, BOB DOMINE, LEIA LOWERY, JACK REETZ, JOHN SHARROOD, AND GAYLE SPOFFORD), MOTION FAILED.**

A MOTION WAS MADE FOR THE RSU BOARD TO ASK THE RPC TO RECONVENE FOR A ONE TIME WORKSHOP TO DISCUSS POSSIBLE SOLUTIONS TO THE DEBT ALLOCATION ISSUE AND REPORT BACK TO THE RSU BOARD (NORM ARCHER), SECONDED: (LEIA LOWERY), VOTED: 7-3 (OPPOSED – BOB DOMINE, TIM HUSSEY, AND JIM SMITH), MOTION CARRIES.

Director Domine would like to make a motion to split the debt allocation by 50/50 with a vote. Chairperson King said she would be uncomfortable with this motion because she doesn't know the financial ramifications. Superintendent Dolloff was not sure the RSU had the authority to do that, the RSU has the authority to recommend this to the voters.

X. UPDATE BY SCHOOL BOARD CHAIR

XI. COMMUNICATIONS FROM THE SUPERINTENDENT OF SCHOOLS

NEASC is donating fifty-dollars to the Kennebunkport Consolidated School in honor of principal, Kathy Pence's retirement.

Update on NIOSH - There was medical testing of staff, site walks and a medical questionnaire and vision testing. This was done to create a control group. At the closing meeting four recommendations were made: (1) make sure when there is viable moisture to immediately replace those materials and treat them as hazardous materials (at this time some tiles have been identified that have moisture), (2) NIOSH is aware of the report from Harriman on the building envelope and strongly recommends the district follow Harriman's recommendations (the roof needs attention because there are areas of water coming into the building largely from the roof membrane), (3) eventually remove all carpet from the school and replace it with hard tile, (4) EPA has a Tools for Schools site that will be reviewed.

Superintendent Dolloff is meeting with Carl Stasio, on Thursday, to discuss the TAMS contract.

Superintendent Dolloff will use AlertNow to try and get the vote out.

XII. EXECUTIVE SESSION

AT 9:50 P.M. A MOTION WAS MADE TO GO INTO EXECUTIVE SESSION FOR THE PURPOSE OF DISCUSSING LABOR CONTRACT NEGOTIATIONS BETWEEN THE BOARD OF EDUCATION AND THE CUSTODIANS AND ED TECHS PURSUANT TO 1 MRSA (405) (6) (D) (JIM SMITH), SECONDED: LEIA LOWERY), VOTED: 10-0.

THE BOARD CAME OUT OF EXECUTIVE SESSION AT 10:00 P.M. NO MOTIONS WERE MADE AT THAT TIME.

XIII. ADJOURNMENT

AT 10:00 P.M. A MOTION WAS MADE TO ADJOURN (JIM SMITH), SECONDED: (LEIA LOWERY), VOTED: 10-0.