

WITHDRAWAL AGREEMENT

By and Between

RSU 26 and the Town of Glenburn Withdrawal Committee

This Agreement dated as of August 9, 2012, by and between Regional School Unit No. 26, a Maine regional school unit comprised of the municipalities of Glenburn, Orono, and Veazie (hereinafter "RSU 26", "RSU", or the "District") and the Town of Glenburn Withdrawal Committee, a duly appointed municipal withdrawal committee representing the Town of Glenburn (hereinafter "Glenburn" or the "Town") organized in accordance with 20-A MRS §1466(4)(A).

1. **Purposes.** The purposes of this Agreement are:

- a. To provide for the timely and orderly withdrawal of Glenburn from RSU 26 as required by 20-A MRS § 1466;
- b. To provide educational continuity for those students residing in Glenburn who wish to continue their education with RSU 26 as provided in section 3 below; and
- c. To allocate RSU 26's financial and contractual obligations, and its assets, between RSU 26 and the new administrative unit that includes, or is comprised solely of, Glenburn, as of the effective date of Glenburn'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 purposes of this Agreement the term "New Glenburn SAU" shall mean the Town of Glenburn municipal school unit or any successor school administrative unit that Glenburn may join, merge with or otherwise be included in as a member during the term of this Agreement, as the case may be.

2. **Withdrawal.** Pursuant to 20-A MRS §1466, the Town shall withdraw from RSU 26 in accordance with the terms of this Agreement as of June 30, 2013, and thereafter shall no longer be a member of RSU 26. As of June 30, 2013, the Town shall create the New Glenburn SAU which will be a separate municipal school administrative unit comprised solely of the Town of Glenburn, unless the Town joins, merges with or otherwise is included in another school administrative unit.

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3. **Provision for Educational Services.**

- a. **Grade K-8 Students.** The Town will continue to provide educational services for its grade K-8 students, including those with special education needs, in the same manner that educational services were provided prior to Glenburn joining RSU 26. Glenburn has a K-8 school, the Glenburn School, and education for the vast majority of grade K-8 students will continue to be provided within the Glenburn School, including special education services, gifted/talented, resource room, self-contained and many options in the individual grade classrooms. Alternatives, if needed, are available through tutoring, placements outside of Glenburn pursuant to Superintendent agreements, etc.
- b. **Right to Continued Enrollment.** During the first year after withdrawal (i.e. from July 1, 2013 to June 30, 2014) students residing in Glenburn may attend the RSU 26 school they would have attended if Glenburn had not withdrawn from RSU 26 in accordance with 20-A MRS §1466(4)(A)(1). The Superintendents of RSU 26 and the New Glenburn SAU shall determine this enrollment in accordance with applicable law. A student's right to continue to be educated at RSU 26 schools during the 2013-2014 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. In addition, educational services will continue to be provided through the other numerous area high schools which Glenburn high school students attend. Accordingly, for the first year following withdrawal, Glenburn high school students may attend the school they would have attended if Glenburn had not withdrawn from the RSU.
- c. **Secondary Students.** Following the first year after withdrawal, pursuant to chapter 219 of Title 20-A of the Maine Revised statutes, RSU 26 agrees to accept Glenburn secondary students as tuition students, subject to its right to limit enrollment when other choice options exist as described below. Notwithstanding section 5803 of Title 20-A, if RSU 26 gives a notice of discontinuance of acceptance of the Glenburn secondary students, such notice shall not be effective before June 30, 2023, unless:
- i. the New Glenburn SAU has a secondary school that Glenburn secondary students may attend; or

- ii. the New Glenburn SAU has a tuition contract for its Glenburn secondary students whose term ends on or after June 30, 2023.

During the first ten years following withdrawal, the New Glenburn SAU shall maintain school choice and shall not take any affirmative action to terminate secondary tuition student options that currently exist. Local secondary tuition student options that currently exist for Glenburn secondary students include, but are not limited to: Bangor High School, John Bapst High School, Brewer High School and Hampden Academy. During the second through tenth years after withdrawal, RSU 26 reserves the right to limit enrollment of Glenburn secondary tuition students unless all of the following schools verify that they will not accept those Glenburn secondary students as secondary tuition students: Bangor High School, John Bapst High School, Brewer High School and Hampden Academy - in which case RSU 26 shall accept those Glenburn secondary students as tuition students.

- 4. **Tuition; Adjustments and Receipt of State Allocation.** In accordance with Chapter 219 of Title 20-A of the Maine Revised Statutes, the New Glenburn SAU shall pay tuition to RSU 26 for students residing in Glenburn who are eligible under section 3 of this Agreement and who elect to enroll in RSU 26 schools. Pursuant to 20-A MRS §1466(4)(A)(1), the tuition rate shall be determined under 20-A MRS § 5805(1) 1.

For Glenburn secondary students that attend RSU 26 because Bangor High School, John Bapst High School, Brewer High School and Hampden Academy would not accept that student, in addition to the tuition rate determined in the preceding paragraph, for each of the ten years following withdrawal, including the first year, RSU 26 may charge a 10% debt service factor pursuant to §5805(4).

Charges for tuition are subject to other adjustments to the extent permitted by chapter 219 of Title 20-A, as it may be amended from time to time, including without limitation adjustments pursuant to §5807 for compliance costs, §5809 for career and technical student enrollment, §5812 for summer school and §5813 for driver education. . Charges are further subject to

adjustment for costs of delivery of services required under 504/ADA plans for students that are not special education students.

Under 20-A MRS Chapter 606-B, the Essential Programs and Services Funding Act, the New Glenburn SAU will receive the State education subsidy allocations for Glenburn students attending RSU 26 schools on a tuition basis.

5. Special Education.

- a. For the term of July 1, 2013 through June 30, 2014, the New Glenburn SAU shall share the administrative services of the RSU's Special Services Department, , which services shall include but not be limited to special education, section 504/ADA, Chapter 104 (gifted and talented), English as a second language and homeless student services. The duration and costs of this agreement are described in Section 8-c of this Agreement. Anticipated costs include payroll and benefits for administrator(s) and staff in the Special Services office. The RSU's Special Services Department will represent the New Glenburn SAU for all administrative special education activities, including overseeing special education referrals, ensuring delivery of special education programming, supervision of the IEP Team process, and supervision of the student evaluation process for all Glenburn students for the term of one year.
- b. For Glenburn students enrolled at an RSU 26 school pursuant to this Agreement, RSU 26 shall oversee all special education child find and referral efforts, and shall provide all special education and related special education services, as required by the IEP prepared by each student's IEP Team to the extent that RSU 26 has an appropriate program to meet the terms of the IEP, and applicable requirements of Maine law and regulations. Except for short term programming changes of not more than 10 school days, decisions about whether RSU 26 can implement the terms of the IEP, and whether the New Glenburn SAU or RSU 26 has an appropriate program or placement for a student pursuant to the requirements of the IEP shall be made by RSU 26 after a careful review of the IEP for the student. In no event shall RSU 26 refuse to provide needed special education services as provided in the IEP for students residing in Glenburn who are

permitted to attend RSU 26 schools under this Agreement, except for student removals of not more than 10 school days or for when RSU 26 has determined that RSU 26 cannot provide an appropriate program or placement for that student.

- c. The IEP team for each Glenburn student attending RSU 26 programs shall include a New Glenburn SAU representative(s). The New Glenburn SAU team member(s) and other New Glenburn SAU personnel shall work cooperatively with the RSU 26 Special Services Department and team members. Upon request each party will provide the other with, as applicable and permitted by law, all information regarding classroom observations, student performance, academic achievement testing and functional behavior assessment components of the student evaluation process. The New Glenburn SAU team member(s) shall provide input to RSU 26's Special Education Director (or other administrative designee) on the proper implementation of Glenburn students' IEPs, or perceived deficiencies in IEP implementation. RSU 26 shall consider that input in good faith and shall respond in an appropriate manner consistent with the terms of this Agreement. In the event that the IEP Team is unable to reach consensus on issues that are the responsibility of the Team, the New Glenburn SAU representative(s) at that Team meeting (or if that representative is absent, the RSU 26 representative at that Team meeting), shall make the decisions on those issues, subject to the parent's due process rights in relation thereto.
- d. The IEP team for each Glenburn student not attending RSU 26 programs shall also include a New Glenburn SAU representative(s). The New Glenburn SAU team member(s) and other New Glenburn SAU personnel shall work cooperatively with the RSU 26 Special Services Department and team members. Upon request each party will provide the other with, as applicable and permitted by law, all information regarding classroom observations, student performance, academic achievement testing and functional behavior assessment components of the student evaluation process. The New Glenburn SAU team member(s) shall provide input to RSU 26's Special Education Director (or other administrative designee) on the proper implementation of Glenburn students' IEPs, or perceived deficiencies in IEP implementation. RSU 26 shall consider that input in good faith and shall respond in an appropriate manner consistent with the terms of this Agreement. In the event that the IEP Team is unable to reach consensus on

issues that are the responsibility of the Team, the New Glenburn SAU representative(s) at that Team meeting (or if that representative is absent, the RSU 26 representative at that Team meeting), shall make the decisions on those issues, subject to the parent's due process rights in relation thereto.

- e. The secondary tuition rate and debt service factor permitted by §5805, when applicable, and this Agreement do not include expenditures for special education. Therefore, in accordance with Chapter 101 of the Rules of the Maine Department of Education, Maine Unified Special Education Regulation, Section IV(4)(A) and (B), and Section XVIII.2 the New Glenburn SAU, in addition to tuition payments and other charges under Section 4 of this Agreement, when applicable, shall be responsible for the actual costs of special education for Glenburn students that are tuition students in RSU 26, including special education transportation costs and costs for facilities modification required to accommodate the student. RSU 26 shall provide the New Glenburn SAU with invoices for such special education costs.
 - f. To the extent not included in the foregoing or in charges under section 4 of this Agreement for implementation of non-special education section 504/ADA plans, RSU 26 may adjust charges for reasonable attorneys' fees it incurs that arise in connection with disputes over delivery of special education services and/ or section 504/ADA plan services for individual students.
6. **Need for School Construction.** Withdrawal of Glenburn from the RSU will not cause a need within five years from the effective date of withdrawal for Glenburn 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 Glenburn has not withdrawn.
7. **Transportation.** Upon expiration of the current RSU 26 transportation contract on June 30, 2013 and upon withdrawal from the RSU, the New Glenburn SAU will provide all transportation for Glenburn students attending RSU 26 schools under this Agreement. The New Glenburn SAU shall be responsible to negotiate a new contract with a busing company

for Glenburn students, or otherwise provide for their transportation needs, as it deems appropriate.

8. Distribution of Certain Financial Commitments and Services.

- a. RSU 26 has signed a contract with Doug Smith to be its Superintendent of Schools through June 30, 2014 (the "Superintendent Contract"). Mr. Smith has stated that he will consent to the assignment of the Superintendent Contract to the New Glenburn SAU as of July 1, 2013 and will release RSU 26 from its obligations if the withdrawal of Glenburn becomes effective. Subject to that consent and release, RSU 26 agrees to assign the Superintendent Contract to the New Glenburn SAU, and the New Glenburn SAU shall accept that assignment and assume the Superintendent Contract. The New Glenburn SAU will employ Superintendent Doug Smith and assume the current contract in its present form, since Mr. Smith will be working exclusively for the New Glenburn SAU. It is the New Glenburn SAU's intent to initially have its full-time Superintendent also perform the duties normally associated with the Curriculum Coordinator.
- b. RSU 26 has a business manager contract through June 30, 2014 (the "Business Manager Contract"). The Business Manager has stated that she will consent to the assignment of the Business Manager Contract to the New Glenburn SAU as of July 1, 2013 and will release RSU 26 from its obligations if the withdrawal of Glenburn becomes effective. Subject to that consent and release, RSU 26 agrees to assign the Business Manager Contract to the New Glenburn SAU, and the New Glenburn SAU shall accept that assignment and assume the Business Manager Contract. The New Glenburn SAU will assume responsibility of the business office, which is located in Glenburn, and which shall be deeded as described below. The New Glenburn SAU will provide business office and financial services to RSU 26 for the fiscal year ending June 30, 2014, and RSU 26 agrees to pay 66.12% of the total costs associated with the business office. Anticipated costs include payroll and benefit costs for the New Glenburn SAU business manager and other business office staff, as well as related facility, equipment and supplies costs. Shared costs shall be reasonable out of pocket expenditures and do not include rent, costs of the New Glenburn SAU Superintendent,

costs of staff serving the New Glenburn SAU Superintendent, and other costs incurred for other than a shared business office purpose. Shared costs also do not include costs of a capital nature or to repair or maintain the shared facility.

- c. For RSU 26's administration of Special Services, as described in Section 5-a of this Agreement, the New Glenburn SAU agrees to pay RSU 26 33.88% of the total costs associated with the Special Services Department for the fiscal year ending June 30, 2014. Anticipated costs include payroll and benefits for Special Services administrators and administrative staff, as well as all related equipment and supply costs.
- d. RSU 26 has a Technology Director contract through June 30, 2014 (the "Technology Director Contract"). The Technology Director has stated that he will consent to the assignment of the Technology Director Contract to the New Glenburn SAU as of July 1, 2013 and will release RSU 26 from its obligations if the withdrawal of Glenburn becomes effective. Subject to that consent and release, RSU 26 agrees to assign the Technology Director Contract to the New Glenburn SAU, and the New Glenburn SAU shall accept that assignment and assume the Technology Director Contract.
- e. The New Glenburn SAU will not need the services of the RSU 26 Curriculum Coordinator (as it would have its Superintendent performing these duties) or its Food Services Director. The current RSU 26 Curriculum Coordinator contract runs through June 30, 2014 and the RSU 26 Food Service Director contract runs through June 30, 2013. The responsibilities of Transportation Director currently are handled by the Superintendent.
- f. There are no other financial obligations of RSU 26 related to this section 8 in which the New Glenburn SAU will participate subsequent to its withdrawal from the RSU.
- g. An evaluation will be made subsequent to the 2013-2014 school year to determine what changes, if any, will be made to the administrative and supervisory structure of the New Glenburn SAU.

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

a. Debt and Lease Purchase Obligations That Existed When RSU 26 was Formed.

Under Paragraph 6.A. of the RSU 26 reorganization plan (the “Reorganization Plan”), RSU 26 assumed liability to pay the bonds, notes and lease purchase agreements listed in Exhibit 6-A to the Reorganization Plan. Under paragraph 6.B. of the Reorganization Plan, no debt is listed that RSU 26 did not assume. Under 20-A MRS §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. In accordance with 20-A MRS §1466(16)(A), as an alternate means for retiring the outstanding indebtedness assumed by RSU 26 under paragraph 6.A. of the Reorganization Plan, after the date of withdrawal, (i) RSU 26, exclusive of the New Glenburn SAU, will pay any remaining debt service on the outstanding bonds, notes, and lease purchase agreements assumed by RSU 26 under paragraph 6.A. of the Reorganization Plan that are identified as having been issued originally by Orono or Veazie; and (ii) the New Glenburn SAU will pay any remaining debt service on the outstanding bonds, notes, and lease purchase agreements assumed by RSU 26 under paragraph 6.A. of the Reorganization Plan that are identified as having been issued originally by Glenburn.

- b. Debt and Lease Purchase Obligations Issued by RSU 26 after its Formation.** As of the date of this Agreement, RSU has issued the following bonds, notes and lease purchase agreements:

Date Issued	Amount Issued	Type/Purpose	Outstanding Principal Balance as of June 30, 2013
June 17, 2011	\$645,000.00	Direct Pay Qualified School Construction Bond issued to Bangor Savings Bank	\$602,000.00
March 31, 2011	\$3,604,181.00	Direct Pay Qualified School Construction Bond Lease Purchase Agreement issued to Pinnacle Public Finance, Inc.	\$3,514,678.00

November 30, 2011	\$1,310,785.58*	Revolving Renovation Fund Loan issued to MMBB	\$1,179,707.03*
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*amounts shown are net of principal forgiveness by MMBB

The Revolving Renovation Fund Loan improved Adams School, Orono High School and Orono Middle School. The \$645,000 QSCB and the \$3,604,181 QSCB (totaling \$4,249,181) improved various RSU 26 schools. Of that sum, the amount of QSCB proceeds expended on Glenburn's school facilities was \$901,993, or 21.23%. Under 20-A MRS §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. In accordance with 20-A MRS §1466(16)(A), as an alternate means for retiring the outstanding indebtedness assumed by RSU 26 under paragraph 6.A. of the Reorganization Plan, after the date of withdrawal, (i) RSU 26, exclusive of the New Glenburn SAU, will pay any remaining debt service on the Revolving Renovation Fund loan issued to the MMBB on November 30, 2011; (ii) with respect to the \$645,000 Direct Pay Qualified School Construction Bond issued June 17, 2011 to Bangor Savings Bank, as well as the \$3,604,181 Direct Pay Qualified School Construction Bond issued March 31, 2011 to Pinnacle Public Finance, Inc. (collectively, hereinafter, the "QSCBs"), the New Glenburn SAU shall pay RSU 26 a sum equal to 21.23% of each principal and net interest payment not less than twenty (20) days prior to each applicable payment date, and RSU 26 shall make each principal and interest payment when due, provided that with respect to any principal or interest payment on the QSCBs that is due on or after July 1, 2013 and prior to July 20, 2013, the New Glenburn SAU shall make the principal and net interest payment on July 1, 2013. For purposes of the preceding sentence, "net interest payment" with respect to the QSCBs means the interest payment amount minus the federal tax subsidy, if any, received by RSU 26. Upon withdrawal, the New Glenburn SAU shall not take any action, and shall refrain from taking any action, that causes adverse tax consequences to RSU 26 with respect to the QSCBs.

The interest cost of the QSCBs is subsidized by direct subsidy payments from the United States Treasury. RSU 26 has filed applications for these subsidy payments for interest costs to date. The parties anticipate that the withdrawal of the Town of Glenburn from RSU 26 shall not affect RSU 26's eligibility to apply for and to receive the QSCBs' subsidy payments without adverse tax consequences. If withdrawal of Glenburn from the RSU nevertheless results in a loss of interest subsidy of the QSCB's, the New Glenburn SAU shall be responsible for 21.23% of the loss of interest subsidy of the QSCBs, and its payments shall be adjusted accordingly, and for 21.23% of any other costs of adverse tax consequences to RSU 26 attributable to Glenburn's withdrawal, including amounts to compensate RSU 26 for loss of prior subsidy payments, and shall pay those amounts to RSU 26 when and if due. In such event, RSU 26 and the New Glenburn SAU shall consult regarding proposals to mitigate these costs, including redemption and refunding of the QSCBs, or other remedial action. Notwithstanding any provision of this Agreement to the contrary, the substantially prevailing party in any dispute or proceeding involving a claim that RSU 26 or the New Glenburn SAU has breached its obligations under Section 9 of this Agreement shall be entitled to recover its legal expenses, including its reasonable attorneys' fees.

- c. Effective upon the date of withdrawal, the New Glenburn SAU will assume and be solely liable at its own expense for the copier lease and maintenance agreement related to the copy machines located at Glenburn School.
- d. The New Glenburn SAU will assume and be solely liable for at its own expense the portion of the warranty and maintenance contracts with Honeywell related to Glenburn's school facilities.
- e. Effective upon the date of withdrawal, the New Glenburn SAU will assume and be solely liable at its own expense for any other contracts related to assets to be owned by the New Glenburn SAU, including the Glenburn School.
- f. There are no other financial obligations of RSU 26 related to this section 9 in which the New Glenburn SAU will participate subsequent to its withdrawal from the RSU.

10. Financial Commitments for Bonds or Notes Issued During FY 2012-2013. During

FY 2012-2013 RSU 26 may issue bonds or notes or enter into lease purchase financing arrangements to upgrade facilities at the RSU's schools. Such improvements are not currently contemplated, but may be necessary in case of a failure of a structure or building system or other urgent need. If Glenburn withdraws from RSU 26 as of June 30, 2013, under 20-A MRS §1466(16) RSU 26 will remain intact for purposes of retiring and securing that indebtedness. As an alternate means for retiring this indebtedness under 20-A MRS §1466(16), RSU 26 hereby agrees to retire such debt by assessing the taxable property in the remaining towns in RSU 26 and further agrees not to assess taxable property located in Glenburn for that purpose. By this agreement, any referendum vote to incur debt for the purpose of construction or renovation projects at an RSU 26 school during FY 2012-2013 will be held solely in the town(s) that have not voted to withdraw, even if such a decision is made prior to Glenburn's proposed withdrawal date of June 30, 2013. Similarly, should Glenburn wish to conduct a referendum during FY 2012-2013 on the issuance of bonds for construction or renovation projects at its school facilities, that referendum will be held only in Glenburn, at the expense of the Town of Glenburn, and will only impact the indebtedness of the New Glenburn SAU.

11. Undesignated Fund Balance. Within thirty (30) days of a finalized audit, RSU 26 shall pay the New Glenburn SAU the total of Glenburn's share of the undesignated fund balance as of June 30, 2013, calculated based on Glenburn's FY13 over-EPS share of RSU 26 expenses (33.88%). Funds required to pay 2013 summer salaries and benefits for work performed prior to July 1, 2013 shall not be included in RSU 26's undesignated fund balance as of June 30, 2013 but rather shall be treated as encumbered funds to be used to pay FY 2012-2013 salary and benefit obligations of RSU 26.

12. Collective Bargaining Agreements. The New Glenburn SAU shall assume the RSU's existing collective bargaining agreements to the extent that they cover employees of RSU 26 assigned to the Glenburn Elementary School at the end of the 2012-2013 school year and who have a right to continued employment as of July 1, 2013. RSU 26 has no such employees whose time is divided between Glenburn Elementary School and other RSU 26 schools.

13. Continuing Contract Rights under Section 13201. On June 30, 2013, the effective date of withdrawal, all continuing contract teachers then assigned to the Glenburn Elementary School shall become continuing contract teachers of the New Glenburn SAU. RSU 26 has no such employees whose time is divided between Glenburn Elementary School and other RSU 26 schools.

14. Disposition of Real and Personal Property.

- a. Real Property: RSU 26 agrees to tender a Release Deed to the Town of Glenburn of any and all real property that was originally transferred to the RSU by the Town of Glenburn upon consolidation, which release deed shall be expressly subject to the terms of this Agreement regarding securing and retiring outstanding indebtedness. See **Exhibit A** for copies of the Original deed.
- b. Personal Property: RSU 26 agrees that any and all personal property located in or on the Glenburn School as of the date of this agreement will become the property of the New Glenburn SAU upon withdrawal.
- c. Notwithstanding the foregoing, any RSU 26 files and records in any form, including computer files, shall remain property of RSU 26. Any of these records applicable to Glenburn shall be made available to Glenburn upon request, as permitted by law.

15. Transition of Administration and Governance. Upon withdrawal, the administration and governance of education for students residing in Glenburn will be transferred directly from RSU 26 to the New Glenburn SAU as of July 1, 2013, except as provided herein with respect to Glenburn students attending RSU 26 as tuition students. 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 26 board members from the Town of Glenburn on the RSU 26 Board of Directors shall serve as a transition team for the New Glenburn SAU for the fiscal year 2013/2014. The transition team will recommend a budget for the 2013/2014 school year and perform any other duties to ensure a smooth transition, provided, however,

that to ensure under applicable law their offices as transition team members are compatible with their duties as RSU 26 board members through June 30, 2013, the authority of the transition team shall not include any matter in which the interests of RSU 26 are implicated and are not consistent with the interests of the New Glenburn SAU. In June 2013, the members of the School Committee for the New Glenburn SAU will be elected. If the withdrawal of Glenburn is approved, the voters of Glenburn shall not participate in approval of the RSU 26 budget for fiscal year 2013-2014 at either the RSU 26 budget meeting or the RSU 26 budget validation referendum, and shall not vote on whether to continue the budget validation process in RSU 26.

16. Dispute Resolution. Any dispute between the New Glenburn SAU and RSU 26 (hereinafter individually a "Party" or collectively, the "Parties") arising out of or relating to this Agreement shall be resolved in accordance with this paragraph. Any Party may give written notice of a dispute arising out of or related to this Agreement to another Party or Parties in person or by certified mail, return receipt requested. The Parties to the dispute (hereinafter the "Affected Parties") shall attempt to resolve the matter through informal communication or negotiation for a period of thirty (30) days from the date of receipt of notice by the last Party to receive notice. If the dispute has not been resolved within thirty (30) days, any Party may serve written notice of the other Affected Parties of a request for mediation. The mediation shall be conducted in Maine by a mediator mutually agreeable to the Affected Parties, shall not exceed one full day or two half days in length, and shall be completed within ninety (90) days from the date of receipt of notice of a request for mediation by the last Affected Party to receive notice. If the parties are not able to reach agreement with the assistance of the mediator, then they retain all rights and remedies provided by law and the right to initiate and pursue litigation.

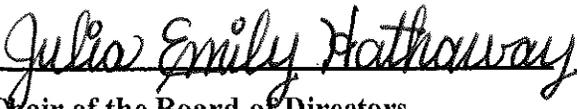
17. State and Local Approval. This agreement is subject to approval by the Maine Commissioner of Education as required by 20-A MRS §1466(4)(B) and approval by the Town of Glenburn at a referendum conducted in Glenburn as required by 20-A MRS § 1466(9). Approval by RSU 26 and Glenburn of this Agreement constitutes approval for purposes of establishing the rights and responsibilities of RSU 26 and Glenburn with respect

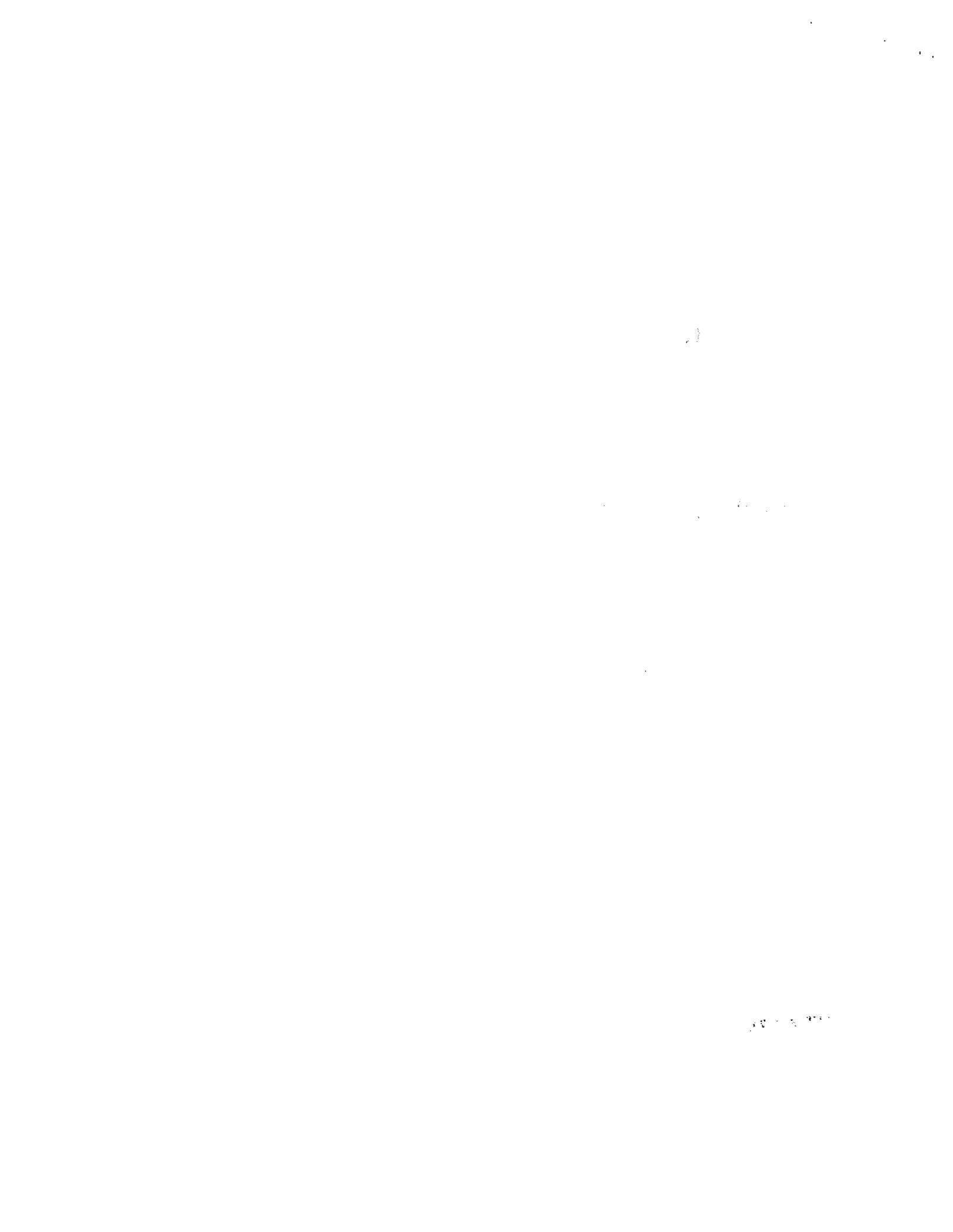
to the matters contained herein. Approval by RSU 26 shall not be deemed a representation by RSU 26 that the contents of this Agreement will provide for appropriate educational and related services to Glenburn students, or that the Agreement will not cause costs to maintain educational and related services for RSU 26 students to increase.

GLENBURN WITHDRAWAL COMMITTEE

By: 
Its: Chair of the Withdrawal Committee

REGIONAL SCHOOL UNIT NO. 26

By: 
Its: Chair of the Board of Directors



**RELEASE DEED
(Fee Simple Subject To A Condition Subsequent)**

INHABITANTS OF THE TOWN OF GLENBURN, a municipal corporation located in Penobscot County, Maine, in accordance with the requirements of 20-A M.R.S. §1462 and without payment of any monetary consideration, grants to **REGIONAL SCHOOL UNIT NO. 26**, an entity created pursuant to the laws of the State of Maine, with a principal place of business in Glenburn, Penobscot County, Maine (and a mailing address of 983 Hudson Road, Glenburn, Maine 04401), a certain lot or parcel of land with the improvements thereon situated on the easterly side of the Hudson Road in the Town of Glenburn, County of Penobscot, State of Maine (the "Property"), bounded and described as follows:

Beginning at a #6 rebar capped LS 1058 set in the easterly line of the Hudson Road, so called, at the northwest corner of the land described in a deed from Harry W. Cookson to Lawrence J. Gallant and Naida J. Gallant dated October 21, 1961 recorded in Penobscot Registry of Deeds Volume 1811 Page 270 and the southwesterly corner of land of the Town of Glenburn as described in Volume 1770 Page 71;

Thence by and along said road line, North 09° 21' 32" East 640.00 feet to a #6 rebar set capped LS 1058;

Thence through land of the Town of Glenburn as described in said Volume 1770 Page 71, South 80° 38' 28" East 390.00 feet to a #6 rebar set capped LS 1058;

Thence continuing through land of the Town of Glenburn as described in said Volume 1770 Page 71 and through other land of the Town of Glenburn as described in Volume 2577 Page 230, South 51° 02' 32" East 495.73 feet to a #6 rebar set capped LS 1058;

Thence South 08° 16' 16" West 379.12 feet to a #6 rebar capped LS 1058 set in the southerly line of land of the Town of Glenburn as described in said Volume 2577 Page 230 and the northerly line of land of the Inhabitants of the Town of Glenburn as described in Volume 4707 Page 303;

Thence along the northerly line of the land described in said Volume 4707 Page 303, North 81° 45' 17" West 139.89 feet to a #6 rebar capped LS 1058 set at the northeast corner of land of Christopher Wilcox as described in Volume 7071 Page 200;

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Thence along the northerly line of said Wilcox, the northerly line of Lawrence J. Gallant and Naida J. Gallant as described in Volume 3208 Page 236 and along the northerly line of other land of Lawrence J. Gallant and Naida J. Gallant as described in Volume 1811 Page 270, North 81° 45' 17" West 688.50 feet to the easterly line of said Hudson Road and the #6 rebar set at the point of beginning.

Containing 10.73 acres. Reference may be had to a "Disposition Plan" prepared by Richard N. Perry, Jr. dated April; 29, 2009, a copy of which is on file at the Office of the Town Clerk of the Town of Glenburn.

TOGETHER with an easement to maintain, repair , replace and use the existing underground electric line located northerly of the conveyed premises on the remaining property of the Grantor, the approximate location of which is shown on the Disposition Plan.

The Property is being conveyed subject to the protective covenant and condition that Grantee shall maintain the Property, including all structures thereon, in good condition and repair at all times. This protective covenant shall run with and burden the Property, and shall inure to the benefit of and be enforceable by Grantor.

The Property is also being conveyed subject to the covenant and condition that even though the current Superintendent's office building located on the Property is not designated as a historic building, Grantee shall preserve and maintain said building in its current status and form. By accepting delivery of this deed, Grantee agrees, for itself and its successors and assigns, that in the event that Grantee fails to preserve and maintain the building in its current status and form, Grantee shall convey the building and any land and improvements appurtenant thereto to Grantor as provided for in the approved Reorganization Plan for Regional School Unit No. 26.

By accepting delivery of this deed, Grantee acknowledges and agrees, for itself and its successors and assigns, that the Property conveyed hereby is conveyed upon the express conditions subsequent that the Property is to be used solely for public school purposes, that Grantor remains a member of Regional School Unit No. 26, and/or that Regional School Unit No. 26 is not dissolved (the "Conditions"). If the Property is used in any manner that breaches the use Condition or is no longer used for public school purposes, if Grantor is no longer a member of Regional School Unit No. 26, and/or if Regional School Unit No. 26 is dissolved, Grantor, its successors and assigns, shall have the right to re-enter and re-take the Property and be re-vested with title thereto as though this deed had never been given.

5/10/09 10:00 AM

Being a portion of the land described in a deed from Raymond Earl Wilson and Inez R. Wilson to the Town of Glenburn dated March 6, 1961 recorded in Volume 1770 Page 71 and a portion of the land described in a deed from Inez R. Wilson to the Town of Glenburn dated August 21, 1975 recorded in Volume 2577 Page 230.

IN WITNESS WHEREOF, the Town of Glenburn has caused this instrument to be duly executed on its behalf by at least a majority of its municipal officers this 14 day of January, 2010.

[Signature]
Witness

R. B. Fryer, Jr.
R. Blake Fryer, Jr.

[Signature]
Witness

Richard W. Cookson
Richard W. Cookson

Witness

Kevin D. Paschal

Witness

Michael Cote

[Signature]
Witness

Michael O'Connor
Michael O'Connor

State of Maine

Penobscot, ss.

January 14, 2010

Personally appeared the above named R. Blake Fryer, Jr., Richard W. Cookson, Kevin D. Paschal, Michael Cote and Michael O'Connor, in their stated capacity, and acknowledged the foregoing instrument to be their free act and deed in said capacity and the free act and deed of the Town of Glenburn.

Before me,

[Signature]

Notary Public

Printed name: Michael R Crooker

My Commission Expires 11/3/2013

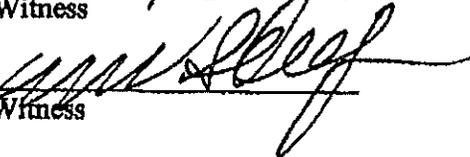
BILL OF SALE

INHABITANTS OF THE TOWN OF GLENBURN, a municipality located in Penobscot County, Maine, in accordance with the requirements of 20-A M.R.S. §1462 and without payment of any monetary consideration, does hereby grant, sell, convey, and transfer to **REGIONAL SCHOOL UNIT NO. 26**, an entity created pursuant to the laws of the State of Maine, with a principal place of business in Glenburn, Penobscot County, Maine (and a mailing address of 983 Hudson Road, Glenburn, Maine 04401), the tangible school personal property, including but not limited to movable equipment, furnishings, textbooks, and other curriculum materials, supplies and inventories owned by the Town and located on the real property conveyed by Town to RSU No. 26 by deed of recent date, to be recorded in the Penobscot County Registry of Deeds.

The property is being conveyed in its "AS-IS, WHERE-IS" condition, without any representation or warranty as to its condition or its suitability for any purpose.

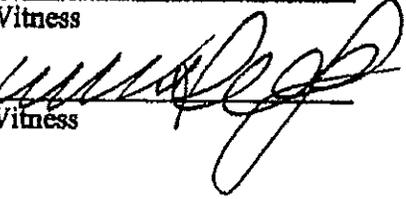
IN WITNESS WHEREOF, the Town of Glenburn has caused this instrument to be duly executed on its behalf by at least a majority of its municipal officers this 14 day of ~~January~~ 20 10

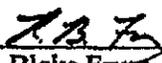

Witness


Witness

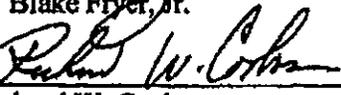
Witness

Witness


Witness



R. Blake Fryer, Jr.



Richard W. Cookson

Kevin D. Paschal

Michael Cote



Michael O'Connor

Exhibit A, continued
Release Deed, RSU 26 to Inhabitants of Town of Glenburn

This release is subject to the terms of that certain Withdrawal Agreement between Grantor and Grantee dated ~~July 9~~, 2012 regarding securing and retiring outstanding indebtedness.

Note: conditions and reversionary rights contained in deed from Glenburn to RSU 26 to be removed in deed back from RSU 26 to Glenburn.

