



STATE OF MAINE  
DEPARTMENT OF EDUCATION  
23 STATE HOUSE STATION  
AUGUSTA, MAINE  
04333-0023

PAUL R. LePAGE  
GOVERNOR

STEPHEN L. BOWEN  
COMMISSIONER

## COMMISSIONER'S CORRESPONDENCE

To: Suzan Beaudoin  
From: Commissioner Bowen  
Date: 4/5/2012  
Correspondent: Gehrig Johnson, Supt., MSAD 32  
Subject: w/draw agreement between SAD 32 and Town of Portage Lake w/draw committee  
Date due: 4/5/2012  
Record #: 203

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The attached is referred to you for the following action:

- Draft a reply for the Commissioner's signature on department letterhead and bring to Dede with the original letter and blue route slip by the date listed above. Postdate the correspondence by a few days to allow time for signing. When the signed letter is returned to you, you are responsible for mailing it. Return the original letter, blue route slip and a copy of the signed response to Dede.
- Direct reply. Return the original letter, blue route slip and copy of your response to Dede by the date listed above.
- Phone call. Please call the correspondent and then write up a brief description of the discussion. Return the original correspondence, blue route slip and the write up to Dede by the date listed above.
- Note and take whatever action you consider appropriate. It is not necessary to return a response to Dede.

**NOTE:** If replying via email, please send an electronic draft to Dede. She will be responsible for sending the reply once the document has been approved.

### Comments:

APR 05 2012

**Withdrawal Agreement**  
**Between**  
**SAD 32 and the Town of Portage Lake Withdrawal Committee**

This Agreement dated as of **April 2, 2012**, by and between Maine School Administrative District No. 32, a Maine regional school unit comprised of the municipalities of Ashland, Garfield Plantation, Masardis, Oxbow Plantation and Portage Lake (hereinafter "SAD 32" or the "District") and the Town of Portage Lake Withdrawal Committee, a duly appointed municipal withdrawal committee for the Town of Portage Lake (hereinafter "Portage Lake" 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 Portage Lake from SAD 32;
  - b) To provide educational continuity for those students residing in Portage Lake who wish to continue their education with SAD 32; and
  - c) To allocate SAD 32's financial and contractual obligations, and its assets, between SAD 32 and the new school administrative unit that includes, or is comprised of, Portage Lake (hereinafter the "New Portage Lake SAU"), as of the effective date of Portage Lake'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 avoiding sudden or excessive increases in property taxes. For purposes of this Agreement the term "New Portage Lake SAU" includes any school administrative unit that is comprised solely of Portage Lake or that includes Portage Lake as a member during the term of this Agreement. By way of example, if Portage Lake becomes a municipal school unit, the term "New Portage Lake SAU" would encompass the Portage Lake municipal school unit.
2. **Withdrawal.** Pursuant to 20-A MRS § 1466, the Town shall withdraw from SAD 32 in accordance with the terms of this Agreement as of June 30, 2012 and thereafter shall no longer be a member of the SAD 32 school administrative unit. As of July 1, 2012 the Town shall become a separate municipal school administrative unit comprised solely of the Town of Portage Lake. Portage Lake shall vote on the Maine School Administrative District No. 32 budget for the 2012-2013 school year.
3. **Continued Enrollment.** After July 1, 2012, all students residing in Portage Lake shall attend the Ashland District School in SAD 32. Additional students who are new residents in Portage Lake shall also enroll in the Ashland District School in accordance with 20-A MRS § 1466(4)(A)(1).
4. **Continuity of Educational Program.** Students enrolled in the Ashland District School at the end of the 2012-2013 school year shall continue their education at the Ashland District School until such time as they have graduated from high school, unless that right is sooner terminated under the terms of this Agreement.

5. **State Allocation and Tuition.** In accordance with 20-A MRS §1466(4)(A)(1), the New Portage Lake SAU shall pay tuition to the District for students residing in Portage Lake. In accordance with 20-A MRS §1466(4)(A)(1), the tuition rate shall be determined under 20-A MRS § 5805 except that it shall not be subject to the state per pupil average limitation in 20-A MRS § 5805(2).
  
6. **Special Education.** SAD 32 shall provide all special education services to SAD 32 enrolled students from Portage Lake required by the IEP prepared by each student's IEP Team to the extent that SAD 32 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 ten (10) school days, decisions about whether SAD 32 can implement the terms of the IEP and whether SAD 32 has an appropriate program or placement for a student pursuant to the requirements of the IEP shall be made by SAD 32 after a careful review of the IEP for the student. In no event shall SAD 32 refuse to provide needed special education services as provided in the IEP, except for student removals of not more than 10 school days or when SAD 32 has determined that SAD 32 cannot provide an appropriate program or placement for that student. The New Portage Lake SAU's special education director shall represent the New Portage Lake SAU for special education programming, supervision of the IEP Team process, and supervision of the student evaluation process for SAD 32 enrolled students. In the event that the IEP Team is unable to reach consensus on issues that are the responsibility of the Team, the New Portage Lake SAU's representative at that Team meeting shall make the decisions on those issues, subject to the parent's due process rights in relation thereto. SAD 32 personnel will work cooperatively with the New Portage Lake SAU's special education director and other staff, and upon request will provide the New Portage Lake SAU's special education director with all information regarding classroom observations, student performance, academic achievement testing and functional behavior assessment components of the student evaluation process. The New Portage Lake SAU's special education director may provide input to SAD 32's special education director (or other administrative designee) on the proper implementation of SAD 32 enrolled student IEPs, or perceived deficiencies in IEP implementation. SAD 32 shall consider that input seriously and in good faith and SAD 32 shall respond in an appropriate manner consistent with the terms of this Agreement.

In accordance with Chapter 101 of the Rules of the Maine Department of Education, Maine Unified Special Education Regulations, Section XVIII(2)(A-C), the New Portage Lake SAU shall be responsible for the costs of special education for the Portage Lake students. The tuition rate for children with disabilities from Portage Lake shall be determined by dividing the sum of the allowable expenditures by the average daily enrollment of children. Both the allowable expenditures and the average daily membership used in computing tuition of an on-going public school special education service shall be based on the prior year expenditures and actual number of children enrolled in the service for the current school year.

The New Portage Lake SAU shall also be responsible for the special education costs of any SAD 32 enrolled student including special education transportation costs and costs for facilities modifications required to accommodate the student, to the extent that such costs exceed the per pupil base rate for special education students in grades K-12 as calculated by the Maine Department of Education pursuant to 20-A MRS §15681-A(2), provided however

that the New Portage Lake SAU shall be given credit for any additional allocation that may be provided to SAD 32 by the Maine Department of Education for that student, in the event that the student qualifies as a high cost in-district or high cost out-of-district placement. The District shall bill the New Portage Lake SAU for such excess special education costs during the fiscal year in which those excess special education costs are incurred.

7. **Transportation.** The District shall provide transportation for Portage Lake students during the 2012-2013 school year and thereafter. The cost of transportation shall be determined by dividing the total transportation costs of the District by the portion of District transportation attributed to Portage Lake on the basis of miles. Transportation attributed to Portage Lake on the basis of miles shall be only those miles traveled within the Town of Portage Lake.
8. **Financial Commitments from Outstanding Bonds or Notes.** SAD 32 will owe a principal balance of \$19,744,137 as of June 30, 2012 for bonds issued for school construction purposes (the "Bonds"). The principal and interest payments due on those bonds from July 1, 2012 through November 30, 2029 will total \$26,469,298.45. Under 20-A MRS § 1466(16), when a municipality withdraws from a regional school unit having outstanding indebtedness, the RSU remains intact for the purpose of retiring and securing that debt. Until the Bonds are retired, Portage Lake agrees to assume the appropriate share of state/local debt service on the Ashland District School as determined on an annual basis by the Maine Department of Education. Portage Lake further agrees to assume a share of the local-only debt service on the Ashland District School according to the 70% valuation/30% pupil count cost-sharing formula in place for the 2011-2012 school year. Notwithstanding any other language in this Agreement, this paragraph 8 shall survive the termination of this Agreement.
9. **Collective Bargaining Agreements.** The withdrawal of Portage Lake from SAD 32 will not directly affect any of the District's collective bargaining agreements.
10. **Continuing Contract Rights under Section 13201.** The withdrawal of Portage Lake from SAD 32 will not affect the continuing contract rights of teachers or other employees subject to collective bargaining agreements. To the extent the withdrawal and resultant loss of revenue may constitute a change in local conditions that warrants the elimination of teaching positions, SAD 32 will remain subject to the terms of those collective bargaining agreements.
11. **Disposition of Real and Personal Property.** There will be no outstanding issues of personal or real property as between the District and Portage Lake resulting from the withdrawal of Portage Lake from the District.
12. **Transition of Administration and Governance.** As of July 1, 2012, Portage Lake will become a municipal school administrative unit and the administration and governance of education for students residing in Portage Lake will be transferred accordingly.
13. **Superintendents' Agreements; Duration of List.** Nothing in this Withdrawal Agreement shall limit the availability or use of Superintendents' Agreements with respect to any student who is not an enrolled student under this Agreement.
14. **Dispute Resolution.** Any dispute between the Town of Portage Lake, the New Portage Lake SAU and SAD 32 (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 ten (10) days from the date of receipt of notice by the last Party to receive notice. If the dispute has not been resolved within ten (10) days, any Party may serve written notice on 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 thirty (30) days from the date of receipt of notice of a request for mediation by the last Affected Party to receive notice. In the event that the Affected Parties are unable to agree on a mediator within ten (10) days, or to resolve the dispute through mediation within 30 days, the dispute shall be submitted to arbitration in accordance with the procedures of the Maine Uniform Arbitration Act, 14 M.R.S.A. §5927 et seq.

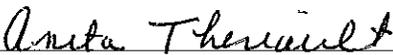
15. **Applicability to Successor School Administrative Units.** Upon approval by the Maine Commissioner of Education and approval of Portage Lake at referendum by a two-thirds majority of the voters of the Town, this Agreement shall be binding upon the Town of Portage Lake, the New Portage Lake SAU and its successor school administrative units, and on SAD 32 and its successor school administrative units. Accordingly, the terms of this Agreement shall be incorporated by reference into any Reorganization Plan to which Portage Lake, the New Portage Lake SAU, or SAD 32, or their respective successor school administrative units, is or becomes a party.
16. **Termination.** This Agreement shall terminate when there are no students residing in Portage Lake.
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 a two-thirds vote at a referendum conducted in Portage Lake as required by 20-A MRS § 1466(9).
18. **Review and Amendment of the Withdrawal Agreement.** The School Committee of Portage Lake shall review this Agreement after the Agreement has been in effect for five (5) years. Accordingly, if Portage Lake withdraws from MSAD No. 32 effective on July 1, 2012, the Portage Lake School Committee shall review the Agreement during the 2017-2018 academic year.
  - a) The responsibility for the review and amendment of the Agreement rests with the School Committee of Portage Lake. The School Committee of Portage Lake may draw upon the resources of the Department of Education for information not readily available at the local level. The School Committee of Portage Lake shall give advanced, public notice of any meeting where this Agreement is being reviewed in accordance with this provision.
  - b) The School Committee shall review all provisions of the Agreement and propose amendments subject to approval by the majority of the School Committee of Portage Lake. The proposed amendments shall then be subject to review and approval of a majority of the Maine School Administrative District No. 32 School Board. The

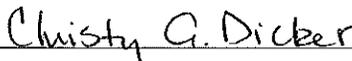
Committee shall then submit the proposed amendments to the Commissioner of Education for approval. Any changes made by the Commissioner shall also be subject to approval by the School Committee of Portage Lake and the District School Board. If approved by the Portage Lake School Committee, the Maine School Administrative District No. 32 School Board and the Commissioner the amended Agreement shall go into effect on the following July 1<sup>st</sup>.

19. **School Construction.** The withdrawal of Portage Lake from Maine School Administrative District No. 32 will not cause a need within five (5) years from the effective date of withdrawal for any school construction projects that would be eligible for state funds

Dated: March 30, 2012

  
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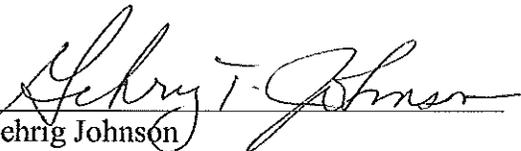
  
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A majority of the Portage Lake Withdrawal Committee

  
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Gehrig Johnson  
Superintendent of Schools  
Maine School Administrative District No. 32  
Dated: April 2, 2012

  
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Sheila Lyons  
Chair of the School Board  
Maine School Administrative District No. 32  
Dated: April 2, 2012