

Articles of Agreement

for the

Harwood Unified Union School District

The Washington West Supervisory Union Act 46 Study Committee recommends that the following Articles of Agreement be adopted by each advisable school district for the creation of a pre-kindergarten through grade 12 unified union school district to be named the Harwood Unified Union School District.

Article 1: Advisable Districts

The School Districts of Duxbury, Fayston, Harwood Union, Moretown, Waitsfield, Warren, Waterbury, and Waterbury-Duxbury Union (hereinafter referred to as the "forming districts") are advisable for the establishment of the Harwood Unified School District. If all town school districts vote to approve the merger, the Unified District is established pursuant to 16 VSA Chapter 11.

In the event a majority of town school districts vote to approve the merger, but one or two districts vote NO, a Modified Unified Union School District will be formed pursuant to the provisions of Act 156 of 2012. In this case, the "MUUSD" will be named the Harwood Modified Unified Union School District. Notwithstanding the above, due to their membership in the Waterbury-Duxbury Union School District, the Duxbury Town School District and the Waterbury Town School District must both vote to approve a merger in order for either town school district to become a member of a MUUSD. As such, neither town school district's vote shall be included in the "majority of districts voting to approve the merger," as defined in this paragraph, unless both districts vote to approve the merger.

Except as otherwise expressly referenced herein, the Harwood Unified Union School District and Harwood Modified Unified Union School District will hereinafter be referred to as the Unified District.

Article 2: Grades Operated

The Unified District will provide pre-kindergarten through grade 12 education to all students in the district.

Article 3: New Schools and Proposed Renovations

Merger of the forming member districts will not require construction of new schools within the Unified District.

See Appendix Section D for information regarding proposed work at Warren Elementary.

Article 4: First Year Transition Plan

The Unified District will provide for the transportation of students, assignment of staff, and curriculum that is consistent with the contracts, collective bargaining agreements, and provisions of law that are in effect during the first year that the Unified District is providing full educational services and operations.

The board will comply with 16 VSA Chapter 53, subchapter 3, regarding recognition of the representatives of employees of the respective forming districts as the representatives of the employees of the Unified District, and will commence negotiations pursuant to 16 VSA Chapter 57 for teachers and 21 VSA Chapter 22 for other employees. In the absence of new collective bargaining agreements on July 1, 2017, the Board will comply with the pre-existing master agreements pursuant to 16 VSA Chapter 53, subchapter 3. The Board shall honor all individual employment contracts that are in place for the forming districts on June 30, 2017 until their respective termination dates.

Article 5: Indebtedness of Member Districts

- A. The Unified District shall assume all capital debt as may exist on June 30, 2017, including both principal and interest, of the forming school districts that join the Unified District.
- B. The Unified District shall assume any and all operating deficits, surpluses, and fund balances that may exist at the close of business on June 30, 2017, of any of the forming districts that vote to join the Unified District. In addition, reserve funds will be transferred to the Unified District at the close of business on June 30, 2017, and will be applied for such established purposes unless otherwise determined through the appropriate legal procedures.
- C. The Washington West Supervisory Union and the forming school districts that vote to join the Unified District will transfer to the Unified District all pre-existing specific endowments or other restricted accounts, including student activity and related accounts that may exist at the close of business on June 30, 2017. Scholarship funds or similar accounts held by school districts prior to June 30, 2017, that have specified conditions of use will be used in accordance with said provisions.
- D. Notwithstanding the provisions of paragraph A of this Article 5, the Unified District will not assume any bonded or other indebtedness in excess of \$2,550,000, which is authorized or issued by any participating school district after April 1, 2016.

See Appendix Sections B2 and B3 for a list and description of existing debt.

Article 6: Real Property, Valuation, Manner of Transfer, School Closure

- A. **Transfer of Property to the Unified District.** No later than June 30, 2017, the forming districts that vote to join the Unified District will convey to the Unified District for the sum of One Dollar, and subject to all encumbrances of record, all of their school-related real and personal property, including all land, buildings, and contents.
- B. **Subsequent Sale of Real Property to Towns.** In the event that, and at such subsequent time as, the Unified District Board of Directors determines, in its discretion, that continued possession of the real property, including land and buildings, conveyed to it by one or more of the town elementary forming districts will not be used in direct delivery of student educational programs, the Unified District shall offer for sale such real property to the town in which such real property is located, for the sum of One Dollar, subject to all encumbrances of record, the assumption or payment of all outstanding bonds and notes, and the repayment of any school construction aid or grants required by Vermont law, in addition to costs of capital improvements subsequent to July 1, 2017.

The conveyance of any of the above school properties shall be conditioned upon the town owning and using the real property for community and public purposes for a minimum of five years. In the event a town elects to sell the real property prior to five years of ownership, the town shall compensate the Unified District for all capital improvements and renovations financed by the Unified District prior to the sale to the town. In the event a town elects not to acquire ownership of such real property, the Unified District shall, pursuant to Vermont statutes, sell the property upon terms and conditions established by the Unified District Board of Directors.

- C. **Subsequent Sale of Harwood Union Real Property.** In the event that, and at such subsequent time as, the Unified District determines that any real property, including land and buildings, conveyed to it by the Harwood Union High School District, is incompatible with the responsible operation of the Unified District and its educational programs, the Unified District shall, pursuant to Vermont statutes, sell the property upon such terms and conditions as established by the Unified District Board of School Directors.
- D. **Subsequent Sale of Waterbury-Duxbury Real Property.** In the event that, and at such subsequent time as the Unified District determines that any real property, including land and buildings, conveyed to it by the Waterbury/Duxbury Union School District is incompatible with the responsible operation of the Unified District and its educational programs, the Unified District shall, pursuant to Vermont statutes, offer such real property to the towns of Waterbury and Duxbury, for the sum of One Dollar, in conformance with the terms of the Articles of Agreement between the two town schools in acquiring such properties, which is incorporated by reference into these Articles and is attached hereto. The transfer and sale of such property or properties shall be subject to all encumbrances of record, the assumption or payment of all outstanding bonds and notes, and the repayment of any school construction aid or grants required by Vermont law, in addition to costs of capital improvements subsequent to July 1, 2017.

The conveyance of either of the school properties shall be conditioned upon the town owning and using the real property for community and public purposes for a minimum of five years. In the event a town elects to sell the real property prior to five years of ownership, the town shall compensate the Unified District for all capital improvements and renovations financed by the Unified District prior to the sale to the town. In the event Waterbury or Duxbury elects not to acquire ownership of such real property, the Unified District shall, pursuant to Vermont statutes, sell the property upon terms and conditions established by the Unified District Board of Directors.

- E. **Closure of K-8 Schools.** The Unified District shall not close any schools within its boundaries during the first four years it is fully operational and providing educational services, unless the electorate of the town in which the school is located consents to closure. Thereafter, an affirmative vote of two-thirds of the Board of Directors shall be required to close a school. Prior to holding a vote on whether to close a school, the Board shall hold at least three public hearings regarding the proposed school closure. At least one of the public hearings shall be held in the community in which the school is located. If after conducting public hearings, the Board of Directors intends to vote on whether to close a school, it shall give public notice of its intent to hold a vote on whether to close a school, stating the reason for the closure, at least ten days prior to the vote. In the event of closure, students living in the town in which said school has been closed

shall be afforded the option to attend the Unified District school closest to the place of residence unless parental choice indicates alternate preference. In determining relocation, the following will also be taken into account: space in the receiving school, classroom needs, and student to teacher ratios.

See Appendix Section B1 for description of school buildings and site values
 See Appendix Section F for Report of the Waterbury Duxbury Planning Committee Approved by the State Board of Education on May 17, 1994

Article 7: Board of School Directors Representation

The Unified District Board of Directors shall be composed of fourteen individuals elected by Australian ballot by the voters of the municipalities in which they reside. Each municipality within the Unified District shall be guaranteed at least one resident representative. The number of representatives in excess of one derived from each municipality shall be determined on the basis of relative population within the Unified District. Votes shall be weighted as necessary to achieve more precise proportionality.

Each community will be allocated board members as follows. The weighted vote reflects proportionality and is based on results of the 2010 census. Board composition and weighting will be recalculated promptly following the release of each decennial census.
 Initial Number of School Board Members by Town:

| Town | Board Members | Population | Individual Vote Weight | Total Vote Weight |
|------------|---------------|------------|------------------------|-------------------|
| Duxbury | 2 | 1,337 | 4.6 | 9.2 pts. |
| Fayston | 2 | 1,353 | 4.6 | 9.2 pts. |
| Moretown | 2 | 1,658 | 5.6 | 11.2 pts. |
| Waitsfield | 2 | 1,883 | 6.4 | 12.8 pts. |
| Warren | 2 | 1,705 | 5.8 | 11.6 pts. |
| Waterbury | 4 | 6,827 | 11.5 | 46.0 pts. |
| Total | 14 | 14,763 | | 100 pts. |

Article 8: Initial Directors, Terms of Office:

The candidates for the new Unified District Board of Directors will be elected by Australian ballot on the date set out in Article 9 for presentation of these Articles to voters of each town school district pursuant to the provisions of 16 V.S.A. § 706j(b). Nominations for the office of Unified District school director representing any district/town shall be made by filing, with the clerk of that school district/town proposed as a member of the Unified District, a statement of nomination signed by at least 30 voters in that district or one percent of the legal voters in the district, whichever is less, and accepted in writing by the nominee. A statement shall be filed not fewer than 30 nor more than 40 days prior to the date of the vote.

Pursuant to the provisions of 16 V.S.A. § 706j(b), elected directors shall be sworn in and assume the duties of their office. The terms of office for directors elected at the June 7, 2016, election shall be two, three, or four years, respectively, less the months between the date of the organizational meeting of the school district, when the initial Directors will begin their terms of office, and the date of the annual meeting of districts established by 16 V.S.A. § 706j. All subsequent terms are three year terms. Initial two year terms will begin at the organizational meeting and end at the 2018, annual meeting.

Thereafter, members to the Board of Directors will be elected by Australian ballot at each town school district's Annual Meeting. Terms of office shall begin and expire on the date of the Unified District's annual meeting. In the event the Unified District's annual meeting precedes Town Meeting Day, a Director's terms shall expire on Town Meeting Day.

Distribution of Initial Two-Year, Three-Year, and Four-Year Terms:

| Town | 2 Year Initial Term | 3 Year Initial Term | 4 Year Initial Term |
|------------|---------------------|---------------------|---------------------|
| Duxbury | | 1 | 1 |
| Fayston | 1 | 1 | |
| Moretown | 1 | | 1 |
| Waitsfield | | 1 | 1 |
| Warren | 1 | 1 | |
| Waterbury | 2 | 1 | 1 |

Article 9: Submission to Voters

The proposal forming the Unified District as specified in these Articles will be duly warned and presented to the voters of each town school district on June 7, 2016. The vote shall take place in each of the school districts by Australian ballot.

Article 10: Commencement of Operations

Upon an affirmative vote of the electorates of the town school districts, and upon compliance with 16 VSA §706g, the Unified District shall have and exercise all of the authority necessary to prepare for full educational operations beginning on July 1, 2017.

The Unified District shall, between the date of its organizational meeting under 16 VSA § 706j and June 30, 2017, develop district policies; adopt curricula, educational programs, assessment measures, and reporting procedures compatible with State Education Quality Standards; prepare for and negotiate contractual agreements; set the school calendar for Fiscal Year 2018; prepare and present the budget for Fiscal Year 2018; prepare for unified union annual meeting(s); and transact any other lawful business that comes before the Board; provided, however, that the exercise of such authority by the Unified District shall not be construed to limit or alter the authority or responsibilities of the school districts of Fayston, Harwood Union High School, Moretown, Waitsfield, Warren, and Waterbury-Duxbury Union.

On July 1, 2017, when the Unified District becomes fully operational and begins to provide educational services to students, the forming districts shall cease all educational operations and shall remain in existence for the sole purpose of completing any outstanding business not assigned to, or subsumed by, the Unified District under these articles and state law. Such business shall be completed as soon as practicable, but in no event later than December 31, 2017. The Washington West Supervisory Union shall cease all operations within a reasonable timeframe of the completion of all outstanding business of its member school districts, but in any event no later than January 31, 2018.

Article 11: Votes Taken by Australian Ballot

Votes on the Unified School District budget or public questions shall be by Australian ballot in each town and co-mingled before counting.

Article 12: Transitional Continuity for Resident Students

For at least the first year that the Unified District is fully operational, students will be entitled to attend elementary school and middle school according to their town of residence. With parental consent, the Board of School Directors may adjust student enrollment between July 1, 2017, and June 30, 2018, based upon individual student circumstances and needs of the Unified District. On and after July 1, 2018, the Board of School Directors may adjust enrollment, boundaries, and school configurations within the Unified District.

Article 13: Choice

The Board of School Directors shall develop policy and programs for offering intra-district choice to the families or guardians of students matriculating in grades for which the Unified District operates multiple buildings as soon as practicable. Choice may be limited only where necessary to the legitimate operational needs of the Unified District and any applicable legal requirements. Policies respecting choice shall consider issues including, but not limited to, transportation, socio-economic equity, proximity to the selected building, unity of siblings, and the capacities of receiving schools and sending schools.

Article 14: Local Input

For each operating school building within the Unified District, the Unified District Board shall provide opportunity for local input. Structures to support, encourage, and recognize the local participation of advisory groups created by and located within the forming communities shall be established by the Unified District Board of School Directors on or before June 30, 2017. Local input will be advisory. The Board may create strategies for local participation at each school and may develop procedures to receive input from each school.

Article 15: Non-Member Districts

If a Modified Unified Union School District is formed, any Pre-K-6 or Pre-K-8 districts that vote NO will be referred to as Non-Member Districts (NMD). Board representation in the Modified Union District will be proportional as represented in the chart under Article 7, including full proportional representation from each NMD. Board members from each NMD will have voting powers for all general Modified Union District actions, but will recuse themselves from consideration and voting upon programmatic, budgetary, personnel, or building matters of the

Modified Union which correlate to grades operated by the NMD. The board is authorized to recalculate the quorum requirements relative to preK-12 issues to reflect the recusal provisions of this article regarding NMD board members.

Article 16: Non-Member District(s); Relation to Supervisory Union

If all towns vote to approve the merger, the Unified District shall succeed and assume the functions of the Washington West Supervisory Union (WWSU), and the Unified District will function as a supervisory district pursuant as per Act 153 and 16 VSA Chapter 261.

In the event the majority of towns vote YES to approve the merger, but one or more town districts vote NO, all as defined in Article 1, the WWSU shall perform the functions of a supervisory union for both the Modified Union School District and any Non-Member Districts (NMD). The governance of WWSU shall be as follows.

- A. Each elected representative on the Modified Union School District Board shall also serve as a member of the WWSU governing board.
- B. In addition, each NMD school board shall appoint one representative who will serve as a member of the WWSU governing board.
- C. The WWSU shall use weighted voting on Supervisory Union business. The representatives elected and appointed from a NMD to WWSU shall each have a fractional vote so that their combined weighted vote equals the corresponding weighted vote on the Modified Union School District Board. The representatives from the other communities shall exercise their corresponding weighted votes. In this manner, voting on WWSU matters represents the same proportional representation by town as reflected in the composition of the fourteen member Modified Union School District Board.
- D. The Modified Union School District and WWSU shall conduct joint meetings with a single agenda, providing that weighted voting described in this article is used for all supervisory union matters, and that representatives appointed by the NMD may not vote on Modified Union School District matters.

When charging or assessing an NMD for services provided by the Modified Union District or WWSU, the charge or assessment may be made on the basis of the actual cost incurred by the Modified Union District or WWSU for providing the service to the NMD. The calculation of the actual cost or charges or assessments to an entity that is not a member may be based on any relevant factors including, but not limited to:

- (1) The cost associated with collecting the underlying data and preparing the separate calculation and assessment for a NMD, which cost would not be needed in the absence of the provision of services to non-members,
- (2) a reasonable charge for the embedded cost associated with the standby capacity to provide services to a NMD.
- (3) The incremental costs of providing services to a NMD. Charges or assessments may be made on the basis of a reasonable allocation proxy. Charges or assessments to a NMD may be made on a different basis from the costs allocated to the Modified Union District.

Charges or assessments may be made on the basis of a reasonable estimate, subject to adjustment when the actual costs are known. The Modified Union District Board and WWSU shall determine the standards determining charges or assessments. Expectations are that the Modified Union District will not subsidize a NMD and that charges will reflect fairness to WWSU, the Modified Union District and any NMD. Charges or assessments will comply with state law and applicable accounting standards.

Amended & Approved by State Board of Education 3-21-17