

Articles of Agreement
for the
Harwood Unified 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 School District (hereinafter, "Unified District").

Article 1: Advisory Districts

The committee considers advisable for the establishment of the Unified District the Duxbury Town School District, the Fayston Town School District, the Moretown Town School District, the Waitsfield Town School District, the Warren Town School District, and the Waterbury Town School District. The previously named districts will henceforth be referred to as the "forming districts." No additional districts are recommended at this time.

If all forming districts vote to approve the merger, the Unified District will commence full operation of educational services on July 1, 2017, under the provisions of Act 46. In the event a majority of advisable districts vote to approve the merger, but one or two districts vote against merger, a Modified Unified Union School District will be formed pursuant to the provisions of 2012, No. 156. In this case, the MUUSD will be named the Harwood Modified Unified Union School 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 proposed member districts will not require construction of new schools within the new district. To maximize beneficial use of existing physical infrastructure, substantial renovations are anticipated at Harwood Union High School. Renovations are required at Warren Elementary School to remediate issues outlined in VSBIT (Vermont School Board Insurance Trust) safety and security reports. Remediation of these issues have been included in a request for proposals (See appendix.) Bonded indebtedness for the project is expected to be between \$1million and \$3million.

Article 4: First Year Transition Plan

Transportation of students and administration of curricula already are administered centrally on behalf of the proposed member districts. A plan for assignment of staff will be developed by July 1, 2017. The Unified District shall honor all existing contracts, collective bargaining agreements,

and other legal obligations of the proposed member districts. The Board of the Unified District shall make all subsequent decisions regarding transportation, staff, and curriculum subject to existing contracts, collective bargaining agreements, or other provisions of law.

Article 5: Indebtedness of Member Districts

The long-term indebtedness of the proposed member districts on the date the Unified District is to commence operations, July 1, 2017, is estimated as follows:

Proposed Member District	Indebtedness
Fayston Elementary	0
Moretown Elementary	409,752
Waitsfield Elementary	0
Warren Elementary	25,400
Waterbury-Duxbury Union	3,045,000

In addition, any and all operating deficits or surpluses of the forming districts shall become the property or obligation of the Unified District, effective July 1, 2017. Member districts holding surpluses or remaining reserve funds at the close of business on June 30, 2017, shall transfer all such funds to the Unified District. Funds designated for a specific purpose shall remain designated for that purpose.

Article 6: Real Property, Valuation, and Manner of Transfer

The specific pieces of real property of proposed member districts and their approximate valuations, based upon 10/14/14 insurance valuations, are:

Proposed Member District	Real Property Location	Valuation
Fayston Elementary	782 German Flats Rd., Fayston	3,248,900
Harwood Union	458 Rte. 100, Duxbury	30,162,969
Moretown Elementary	940 Route 100B, Moretown	3,811,100
Waitsfield Elementary	3951 Main Street, Waitsfield	3,578,800
Warren Elementary	296 School Road, Warren	3,992,600
Waterbury-Duxbury Union (Crossett Brook property)	5672 Route 100, Duxbury	11,128,400
Waterbury-Duxbury Union (Thatcher Brook property)	47 Stowe, Street, Waterbury	9,718,950

No later than June 30, 2017, the forming districts will convey to the Unified District all of their school-related real and personal property, for One Dollar, and the Unified District will assume all capital debt associated therewith.

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 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.

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 Harwood Union High School, 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.

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 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. The forming towns of Waterbury/Duxbury Union shall be offered a right of first refusal to purchase the building(s). After payment of all outstanding bonds and notes, the repayment of any school construction aid or grants as required by Vermont law, reimbursement for costs associated with bonded indebtedness acquired on behalf of the Unified District as of July 1, 2017, in addition to costs of capital improvements subsequent to July 1, 2017, any remaining funds will be distributed back to the original member towns of Waterbury/Duxbury Union in a manner which must equitably reflect the proportion of contributions initially made by the original member towns.

Article 7: Allocation of Expenses

Until such time as the forming districts cease to exist by operation of law, capital and operating expenses of the Unified District shall be allocated among the forming districts in proportion to equalized pupils. Thereafter, capital and operating expenses of the Unified District shall be borne by the Unified District, managed in a Unified District budget, and apportioned to taxpayers of the Unified District at a common rate determined by law.

Article 8: Board of School Directors Representation

The Unified District Board of Directors shall be composed of thirteen individuals elected by Australian ballot by the voters of the municipalities in which they reside, to serve staggered, three-year terms. 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. To the extent such allocation is insufficient to satisfy the proportional representation requirements of the Equal Protection Clause of the Constitution of the United States, votes shall be weighted as necessary to achieve more precise proportionality.

Initial membership and weighting, based on results of the 2010 census. Board composition will be recalculated promptly following the release of each decennial census.

Initial Number of School Board Members by Town:

Town	Board Members	Population	Total Vote Weight
Duxbury	2	1,337	3 pts.
Fayston	2	1,353	3 pts.
Moretown	2	1,658	4 pts.
Waitsfield	2	1,883	4 pts.
Warren	2	1,705	4 pts.
Waterbury	3	6,827	12 pts.
Total	13	14,763	30 pts.

Article 9: 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 10 for presentation of these Articles to voters of each forming 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 May 3, 2016, election shall be one, two, or three 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. § 796j. All subsequent terms are three year terms.

Thereafter, members to the Board of Directors will be elected by Australian ballot at each member town'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, the Directors' terms shall expire on Town Meeting Day.

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

Town/District	1 Year Initial Term	2 Year Initial Term	3 Year Initial Term
Duxbury		1	1
Fayston	1	1	
Moretown	1		1
Waitsfield		1	1
Warren	1	1	
Waterbury	1	1	1

Article 10: 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 forming district on May 3, 2016. The vote shall take place in each of the forming districts by Australian ballot.

Article 11: Commencement of Operations

Upon an affirmative vote of the electorates of the 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, along with Harwood Union School District, 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 12: 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 13: 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/district 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 14: Choice

As soon as practicable, but in no event later than July 1, 2018, and to the fullest extent practicable, the Unified District shall offer intra-district choice to the families or guardians of students matriculating in grades for which the Unified District operates multiple buildings. Choice may be limited only where necessary to the legitimate operational needs of the Unified District. 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 15: 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 16: School Closure Protection

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.

Article 17: Non-Member Districts

If a Modified Unified Union School District is formed, Pre-K-6 or Pre-K-8 districts that vote against merger shall be referred to as Non-Member Districts (NMD). Board representation in the Modified Unified Union School District will be as represented in the chart under Article 8,

including full proportional representation from each NMD. Board members from each NMD will have voting powers for decisions regarding Harwood Union and general Modified Unified District actions, but will recuse themselves from votes on grades existing in NMD for programmatic or building decisions.

Article 18: 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 to the terms of 2010, No. 153.

In the event a majority of town districts vote to approve the merger, but one or two town districts vote against merger, the WWSU shall perform the functions of a supervisory union for both the Modified Unified Union School District (MUUSD) and any Non-Member Districts (NMD). Each elected representative on the Modified Unified Union School District Board shall also serve as a member of the WWSU governing board.

The Modified Unified Union School District and WWSU shall conduct joint meetings with a single agenda. Representatives appointed by the NMD may not vote on Modified Unified Union School District matters.

When charging or assessing an NMD for services provided by the Modified Unified Union School District or WWSU, the charge or assessment may be made on the basis of the actual cost incurred by the MUUSD or WWSU for providing 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 costs associated with the standby capacity to provide services to the NMD.

And, (3) The incremental costs of providing services to a NMD. Charges or assessments may be made on a different basis from the costs allocated to the MUUSD. Charges or assessments may be made on the basis of a reasonable estimate, subject to adjustment when the actual costs are known. The Union District Board and WWSU shall determine the standards determining charges or assessments. Expectations are that the MUUSD will not subsidize a NMD and that charges will reflect fairness to WWSU, the MUUSD and any NMD. Charges or assessments will comply with state law and applicable accounting standards.