

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (the "MOU") is an agreement between Regional School Unit No. 1: Lower Kennebec Region School Unit ("RSU 1") and the City of Bath, Maine (the "City") dated as of the date set forth below.

WHEREAS, RSU 1 is organized pursuant to P & SL 2007 chapter 25 and currently comprises the City and the Towns of Arrowsic, Phippsburg, and Woolwich; and

WHEREAS, RSU 1 has moved its high school from the former Morse High School and Regional Technical School property located at 826 High Street in the City ("Former Morse") to a new location at 826 Shipbuilder Drive; and

WHEREAS, the City and RSU 1 value their cooperative relationship to work toward their common goals and intend to continue such cooperation; and

WHEREAS, the parties agree that RSU 1 will transfer ownership and control of Former Morse to the City; and

WHEREAS, The City will inform the RSU of any pending sales of Former Morse; and

WHEREAS, voters of the communities of RSU 1 (the City of Bath and the Towns of Arrowsic, Phippsburg and Woolwich) approved a bond on November 5, 2013, to make capital improvements to facilities, including Former Morse; and

WHEREAS, RSU 1 has an outstanding principal indebtedness for improvements to Former Morse of \$870,000 as of the date of this MOU; and

WHEREAS, the parties intend for this MOU to clarify each party's respective responsibilities with respect to RSU 1's outstanding indebtedness on improvements to Former Morse and the fulfillment of the requirements identified in Title 20-A M.R.S. Section 4103, that upon transfer of a school building, the "receiving town or towns, if they accept the transfer, shall be liable for any outstanding indebtedness"; and

NOW THEREFORE, the City and RSU 1 agree as follows.

1. As of the date hereof, RSU 1 will transfer ownership and responsibility of Former Morse to the City by executing the deed attached hereto as Exhibit A and RSU 1 will cause such executed deed to be recorded in the Sagadahoc County Registry of Deeds.
2. Upon sale(s) of any portion of the Former Morse real property to a third party and solely to the extent of any net sale proceeds from the sale(s), the City will pay RSU 1 up to a maximum amount of \$370,359, as shown in Table 1 below depending upon the date of such sale. The total payment required represents that portion of the total Former Morse outstanding principal debt which is allocable to the Towns of Arrowsic, Phippsburg and

Woolwich.¹ Transfer of any portion of Former Morse to the Bath Development Corporation, which is expected to occur as Former Morse is prepared for sale to a third party, shall not be considered a sale from the City to a third party for purposes of this MOU. A transfer from Bath Development Corporation to a third party shall be considered a sale to a third party for purposes of this MOU. To the extent of multiple sales of portions of Former Morse over multiple years, prior payments made pursuant to this MOU shall be credited against the payment due upon any subsequent sales.

Table 1.

Date of Sale of Former Morse to Third Party	Total Outstanding Debt on Morse School	Maximum City Payment Required Pursuant to this MOU Section 2 (subject to extent of net sale proceeds available)
Date of MOU – July 31, 2022	\$870,000	\$370,359.00
August 1, 2022 – July 31, 2023	\$725,000	\$308,632.50
August 1, 2023 – July 31, 2024	\$580,000	\$246,906.00
August 1, 2024 – July 31, 2025	\$435,000	\$185,179.50
August 1, 2025 – July 31, 2026	\$290,000	\$123,453.00
August 1, 2026 – July 31, 2027	\$145,000	\$61,726.50
August 1, 2027 and later	\$0	\$0

- RSU 1 will place any amounts received under this MOU in a special fund. RSU 1 will apply this fund as credits to reduce its assessments for school taxes payable by Arrowsic, Phippsburg, and Woolwich in proportion to each town's percentage allocation of the three towns' aggregate percentage allocation of FY 2021-2022 costs as described in footnote 1.
- Except for performing the obligations described in this MOU, the parties release each other from all claims arising out of or in connection with the outstanding indebtedness on Former Morse and the City's sale of any portion of Former Morse.

Dated: 3/30, 2022

CITY OF BATH

RSU 1

By: 

By: 

¹ At the time of this MOU, the current remaining outstanding principal balance on the Former Morse bond is \$870,000. Based upon the FY 2021-2022 cost sharing formula, Bath's share of this principal indebtedness is 57.43% or \$499,671. The share of the other three towns is 42.57% (\$370,359) allocated as follows: Arrowsic, 2.76%, or \$24,012; Phippsburg, 16.15%, or \$140,505; and Woolwich 23.66%, or \$205,842. Payments identified in Table 1 are calculated based on the percentages herein referenced.

EXHIBIT A: Deed from RSU 1 to City for Former Morse

QUIT-CLAIM RELEASE DEED

KNOW ALL BY THESE PRESENTS, THAT REGIONAL SCHOOL UNIT NO. 1: LOWER KENNEBEC REGION SCHOOL UNIT, a school administrative unit organized and existing under the laws of the State of Maine, with a principal place of business at 34 Wing Farm Parkway, in Bath, in the County of Sagadahoc, and State of Maine, in consideration of One Dollar and other good and valuable consideration paid by CITY OF BATH, a body corporate and politic, located at 55 Front Street, in Bath, in the County of Sagadahoc, the receipt whereof is hereby acknowledged, does hereby remise, release, bargain, sell and convey, and forever quit-claim unto the said CITY OF BATH, whose mailing address is 55 Front Street, Bath, Maine, 04530, its successors and assigns forever,

PARCEL I:

A certain lot or parcel of land, together with the buildings thereon, known as the Morse High School Property, situated on the westerly side of High Street, in Bath, in the County of Sagadahoc, and State of Maine, and being more particularly bounded and described as follows, to wit:

BEGINNING at a point on the westerly side of High Street, which said point is the northeasterly corner of premises of Arthur W. White and Cynthia Upton White, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 786, Page 333; thence running in a general northerly direction along the westerly side of High Street a distance of One Hundred Eighty-Five Feet (185'), more or less, to the southeasterly corner of premises of Elmhurst Association for Retarded Citizens, Inc., more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 631, Page 223; thence running westerly along Elmhurst property a distance of One Hundred Three Feet (103'), more or less, to a point; thence running northerly along Elmhurst property a distance of Sixteen and Five Tenths Feet (16.5') to a point; thence running westerly along Elmhurst property a distance Sixty-One and Nine Tenths Feet (61.9') to a point; thence running northerly along Elmhurst property a distance of Forty-Eight and Sixty-Seven Hundredths Feet (48.67') to a point; thence running easterly along Elmhurst property a distance of One Hundred Sixty-Three and Seven Tenths Feet (163.7') to a point on the westerly side of High Street; thence running northerly along the westerly side of High Street a distance of Four Hundred Ninety-Nine and Seventy-One Hundredths Feet (499.71') to a point which is the easterly corner of premises of Robert Sean Keeble and Myra Armon Keeble, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2017R, Page 07912; thence running westerly along said Keeble property a distance of Eighty-Nine and Ninety-Six Hundredths Feet (89.96')

to the southwesterly corner of said Keeble property; thence running northerly along said Keeble property a distance of Seventy-Six and Thirty-Eight Hundredths Feet (76.38') to the southerly side of Chestnut Street, so-called; thence running westerly along the southerly side of Chestnut Street, a distance of One Hundred Seventy and Thirty-One Hundredths Feet (170.31') to the northeasterly corner of premises of Stacy L. Otis, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 3160, Page 317; thence running southerly along said Otis property a distance of Eighty-One and Eighty-Four Hundredths Feet (81.84') to the southeasterly corner of said Otis premises; thence running in a westerly direction along said Otis property and property of Fox Properties LLC, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 3190, Page 78, a distance of One Hundred Fifteen and Seventy-Eight Hundredths Feet (115.78') to the easterly side of Maple Street; thence running southerly along the easterly side of Maple Street a distance of Three Hundred Seventeen Feet (317') to a corner in Maple Street; thence running westerly by Maple Street a distance of Twenty Feet (20'), more or less, to the northeasterly corner of premises of Ray C. Wolfe, Jr. and Deanna Wolfe, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2896, Page 179 (reference may be had to Abstract of Divorce Decree, dated January 18, 2019, regarding West Bath District Court Docket No. FM-15-154, recorded in the Sagadahoc County Registry of Deeds in Book 2019R, Page 00332); thence running in a general southerly direction along land of Wolfe and land of Hey Nellie!, Inc., more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2021R, Page 00245, a distance of Fifty-Six Feet (56'), more or less, to the northerly line of property of Bath Housing Development Corporation, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2018R, Page 01412; thence running easterly by land of Bath Housing Development Corporation, a distance of Twenty-Four and Five Tenths Feet (24.5') to the northeasterly corner of said Bath Housing Development Corporation property; thence running in a southerly direction along land of Bath Housing Development Corporation, land of Ernesto Silva, Jr. and Patricia M. Silva, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 3291, Page 65, and land of Catherine M. Szeliga, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2017R, Page 05387, a distance of One Hundred and Seventy Feet (170'), more or less, to the northwesterly corner of premises of White; thence running easterly along land of White a distance of Two Hundred Ten Feet (210') to High Street and the point of beginning.

For source of title to the above-described premises, reference may be had to Deed from Charles W. Morse to the City of Bath, dated August 25, 1902, and recorded in the Sagadahoc County Registry of Deeds in Book 106, Page 228, Deed from Kathleen T. Gainsley to the City of Bath, dated May 17, 1968, and recorded in the Sagadahoc County Registry of Deeds in Book 359, Page 1036, Deed from the Roman Catholic Bishop of Portland to the City of Bath, dated August 29, 1968, and recorded in the Sagadahoc County Registry of Deeds in Book 361, Page 857, Deed of Lillian P. Prentiss and Courtney L. Prentiss to the City of Bath (Parcel I), dated September 25, 1993, and recorded in the Sagadahoc County Registry of Deeds in Book 1155, Page 75, Deed from William F. Skoog and Marcie A. Skoog to the City of Bath, dated December 15, 1993, and recorded in the Sagadahoc County Registry of Deeds in Book 1255, Page 230, and Deed from CSC to the City of Bath, dated December 29, 1993, and recorded in the Sagadahoc County Registry of Deeds in Book 1259, Page 109.

PARCEL II:

A certain lot or parcel of land, situated on the westerly side of Maple Street, in Bath, in the County of Sagadahoc, and State of Maine, and being more particularly bounded and described as follows, to wit:

BEGINNING at a point on the westerly side of Maple Street, so-called, which point is Eight and Five Tenths Feet (8.5') from an iron bolt which bolt is One Hundred and Sixty-Three Feet (163') North of a corner in Maple Street (originally referred to as Academy Street) at the northwesterly corner of property of Samuel Marzenell, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2019R, Page 03296; thence running northerly along the westerly side of Maple Street a distance of One Hundred and Twenty-Seven and Five Tenths Feet (127.5') to property of Bath Housing Development Corporation, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2016R, Page 04071; thence running southerly along land of Bath Housing Development Corporation a distance of Seventy Feet (70') more or less to a point on the easterly line of premises of Jonathan A. Smith-Blake, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2016R, Page 06273; thence running southerly along said Smith-Blake property a distance of Twenty-Seven and Thirty-Three Hundredths Feet (27.33') to an iron bolt and a point at the easterly end of a stone retaining wall; thence running westerly along the retaining wall and property of said Smith-Blake and continuing southerly along land of Matthew S. Congdon and Emily V. Norris, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2018R, Page 02979, a distance of One Hundred and Twenty Feet (120'), more or less, to an iron rod on the southerly line of said Congdon and Norris land; thence continuing in a westerly direction along property of Megan E. Pryor and Matthew E. Pryor, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2017R, Page 04402, a distance of Seventy-Six Feet (76'), more or less, to a point on the southerly line of property of William M. Ikard and Sarah L. Graulty, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2021R, Page 02580, and said point being the northeasterly corner of premises of Toby Ostrov and Kaitlyn Ostrov, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2019R, Page 05035; thence running southerly along land of said Ostrov a distance of One Hundred Ten Feet (110'), more or less, to property of Jack T. Penuel, Jr. and Jean M. Penuel, more particularly described in Deed recorded in the Sagadahoc County Registry of Deeds in Book 2761, Page 102; thence running in an easterly direction along land of said Penuel and land of Marzenell, to a point Seventy-Five Feet (75') from Maple Street; thence running northerly by land of Marzenell Eight and Five Tenths Feet (8.5'); thence continuing by land of Marzenell a distance of Seventy-Five Feet (75') easterly to the point of beginning.

For source of title, reference may be had to Deed from the City of Bath to Regional School Unit No. 1: Lower Kennebec Region School Unit dated January 31, 2022 and recorded in Book 2022R, Page 855 of the Sagadahoc County Registry of Deeds.

TO HAVE AND TO HOLD, the same, together with all the privileges and appurtenances thereunto belonging to the said City of Bath, its successors and assigns forever.

IN WITNESS WHEREOF, REGIONAL SCHOOL UNIT NO. 1: LOWER KENNEBEC REGION SCHOOL UNIT has caused this instrument to be signed by Patrick Manuel, its Superintendent of Schools, thereunto duly authorized.

Dated at Bath, Maine this 30 day of March, 2022.

SIGNED, SEALED AND DELIVERED
IN PRESENCE OF

REGIONAL SCHOOL UNIT NO. 1:
LOWER KENNEBEC REGION SCHOOL
UNIT



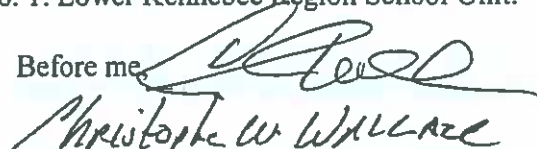
Patrick Manuel
Superintendent of Schools

STATE OF MAINE
SAGADAHOC, SS.

March 30, 2022

Personally appeared the above named Patrick Manuel, Superintendent of Schools, and acknowledged the above instrument to be his free act and deed in his said capacity and the free act and deed of the said Regional School Unit No. 1: Lower Kennebec Region School Unit.

Before me,


Christopher W. Wallace
Notary Public/Attorney At Law