TRANSPORTATION INCENTIVE PAYMENT

Side Letter / Memorandum of Understanding • 2026–2027 School Year

DRAFT FOR NEGOTIATION — Not effective until approved and signed by authorized representatives of both parties.

PARTIES. The Board of Directors of Maine School Administrative District No. 75 (the "Board" or "District") and the Merrymeeting Employees Association, MEA/NEA (the "Association"), collectively the "Parties."

EXISTING AGREEMENT. The Parties are signatories to the Support Staff Collective Bargaining Agreement effective July 1, 2024 through June 30, 2027 (the "Agreement"). This Side Letter supplements the Agreement only to the extent expressly stated below.

PURPOSE. The District has experienced exceptional staffing shortages in student transportation, requiring regular District Transportation employees and designated District employees from Buildings & Grounds and Food Service to help maintain routes. The Parties wish to recognize these employees for covering these temporary demands through a defined, one-time transportation service Payment (the "Payment") without modifying hourly wage schedules or establishing a continuing compensation obligation.

1. Term and Effective Date

This Side Letter becomes effective on the date of the last authorized signature below (the "Effective Date"). Solely for purposes of calculating this one-time Payment, the eligible transportation service period for earning the Payment (the "Payment service period") is retroactive to September 1, 2026, subject to this Side Letter's eligibility requirements, and ends on the last scheduled bus-driver workday of the 2026–2027 school year, but no later than June 30, 2027. This Side Letter expires automatically on June 30, 2027, without notice, renewal, or carryover. Each earned Payment will be paid in four (4) installments, as outlined in Section 4. Eligibility for the Payment is subject to this Side Letter's eligibility requirements.

2. Eligible Employees

This Side Letter applies to the 20 District employees, as designated by the District, supporting student transportation as of the Effective Date in the following categories: (a) 14 regular school bus drivers/Transportation Specialists; (b) 4 employees assigned from Buildings & Grounds; (c) 1 mechanic assigned from Transportation and (d) 1 employee assigned from Food Service. In addition, this Side Letter applies to any regular school bus drivers hired by the District after the Effective Date. The Payment service period for such drivers will begin on their date of hire and end on the last scheduled bus-driver workday of the 2026–2027 school year, but no later than June 30, 2027.

These employees (the "covered employees") will be notified by the District that they are eligible to earn the Payment. To earn the Payment, during the Payment service period the covered employees must provide ongoing school transportation services coverage and possess any credentials required for the transportation duties performed. A confidential eligibility roster will be maintained by the District and made available to the Association. If a covered employee leaves their employment, loses eligibility for the Payment, or is otherwise replaced as a covered employee prior to the end of the Payment service period, the remaining unearned Payment for that covered employee's assignment may be allocated to an eligible, qualified replacement employee by written agreement of the Parties.

3. One-Time Payment Amount

Each covered employee who provides ongoing school transportation services and meets all eligibility requirements as provided in this Side Letter during all four payment periods described in Section 4 will receive a total, non-recurring gross Payment of $4,800. This amount is not an addition to the Appendix A hourly salary schedule of the Agreement, is not a permanent wage increase, and does not alter any employee's contractual schedule, position, or regular hourly rate. The anticipated total maximum gross Payment for 20 covered employees supporting student transportation on a continuous basis and meeting all eligibility requirements during all four installment payment

periods described in Section 4 is approximately $91,200, excluding required employer taxes, benefits-related costs, and overtime adjustments.

4. Payment Periods, Payment, and Proration

The one-time Payment under this Side Agreement will be divided into four (4) equal installments of $1,200 each.

Each installment is earned during the period shown below (an "Earning Period") and is payable on the listed regular biweekly payroll date:

- 1st payment: $1,200 for the Earning Period of 8/27/26 through 10/23/26, payable on the regular payroll date of October 30, 2026.
- 2nd payment: $1,200 for the Earning Period of 10/24/26 through 12/18/26, payable on the regular payroll date of December 23, 2026.
- 3rd payment: $1,200 for the Earning Period of 12/19/26 through 3/12/27, payable on the regular payroll date of March 19, 2027.
- 4th payment: $1,200 for the Earning Period of 3/13/27 through 6/4/27, payable on the regular payroll date of June 11, 2027.

Each Earning Period ends on the last day of the biweekly pay period paid on that installment's payroll date. Only service in an eligible assignment performed on or before the last day of an Earning Period counts toward that installment. Service in an eligible assignment performed after that date counts toward the next Earning Period. Earning Periods run consecutively, with no gaps or overlaps.

A covered employee assigned for less than all of any Earning Period will earn a proportionate amount based on the number of calendar weeks of eligible assignment during that Earning Period compared with the total calendar weeks in that Earning Period. A covered employee who drives intermittently, such as carrying only a morning run or only an afternoon run rather than both a morning and an afternoon run, will earn one-half (50%) of the installment for the weeks of such partial coverage. Approved protected leave and other legally protected absences will not reduce an otherwise earned payment. Amounts earned before an employee's separation or removal from a covered assignment remain payable under applicable wage-payment requirements. There will be no repayment or forfeiture of an installment already properly earned and paid.

5. Wage and Benefit Administration

The Payment is additional taxable compensation, subject to applicable withholding. The District will administer any required overtime regular-rate adjustments under the Fair Labor Standards Act and applicable law. Any retirement, benefit, or other payroll treatment will follow controlling law, plan rules, and the Agreement; the label "Payment" does not by itself determine such treatment.

6. Preservation of the Collective Bargaining Agreement

Except for the limited, one-time payment described in this Side Letter, all provisions of the Agreement remain unchanged and in full force and effect, including provisions governing hours of work, overtime, assignment, additional staffing, cross-classification work, and grievances. Nothing in this Side Letter waives either Party's rights or positions in negotiations for a successor collective bargaining agreement. The Payment will not automatically repeat, increase, or become part of any future wage schedule, and neither Party may rely on this Side Letter as an agreement to continue the Payment after its expiration on June 30, 2027.

7. Administration and Disputes

The District and Association will resolve questions regarding the covered roster and proration in good faith. Any unresolved dispute arising out of this Side Letter may be addressed through the grievance and arbitration procedures of the Agreement.

This Side Letter contains the entire agreement of the Parties relative to its subject matter. Changes to this Side Letter require a written instrument signed by an authorized representative of each Party.

AGREED AND ACCEPTED

MSAD NO. 75 BOARD OF DIRECTORS

Signature:

Printed name / title: Ryan Larsen
Committee Chair

Date: 10/29/26

MERRYMEETING EMPLOYEES ASSOCIATION, MEA/NEA

Signature:

Printed name / title: Erin Scott Union President

Date: 10/29/26