

UNITED STATES DISTRICT COURT
DISTRICT OF MAINE

MARY ADAMS, et al.,)
)
 Plaintiffs)
) CIVIL NO. 1.10-CV-258-JAW
 v.)
)
 MAINE MUNICIPAL ASSOCIATION,)
)
 Defendant)

SUMMARY OF CAMPAIGN-RELATED MATTERS
PURSUANT TO F.R.EVID. 1006
FROM MAINE MUNICIPAL ASSOCIATION EXECUTIVE COMMITTEE MINUTES
(PALESKY INITIATIVE 2004)

February 19, 2004

Update on Tax Reform Initiative and Property Tax Cap Initiative - Chris Lockwood provided a detailed update on discussions with the Governor's Office and efforts to develop a campaign strategy for the June 8, 2004 election for the tax reform-school funding initiative. He provided information on the Governor's plan to introduce legislation to address tax reform and school funding efforts. The Executive Committee had an opportunity to share their thoughts on anticipated voter turnout in their respective communities for the June election as well as what they are hearing regarding tax reform issues. Geoff Herman provided information on the atmosphere at the Maine Legislature given that this is an election year, and discussions with legislators on tax reform efforts. Discussion was held on the tax cap initiative and when it will appear on the ballot. Chris Lockwood noted that MMA legal staff is providing a legal opinion on the constitutional provision governing the time for having a citizen initiative appear on the ballot. Bill Bridgeo suggested that the Maine Municipal Association consider having an outside legal opinion done as soon as possible in the event the Legislature puts the tax cap initiative on the June 2004 ballot. He noted that an outside legal opinion could not be challenged as a conflict of interest for the Association. Geoff Herman indicated that the Governor's package includes three legislative bills, which basically are a result of the compromise and includes 80% of what MMA and MEA wanted. He also provided information on the Legislative Working Group formulated by Senate President Beverly Daggett and House Speaker Patrick Colwell. He noted that MMA and MEA were invited to have representatives join members of the Legislature from both parties in discussions to reach a compromise on these issues. He indicated that the first meeting was held February 19 and was disappointing. The next meeting of the Legislative Working Group is scheduled for February 24. Chris Lockwood indicated that he would keep the MMA Executive Committee updated on the progress of the campaign for the June election.

March 17, 2004

Update on Tax Reform Initiative & Property Tax Cap Initiative - Chris Lockwood and Geoff Herman provided an update on discussions with the Governor's office, efforts to work with the Legislature, the tax cap initiative, and efforts to develop a campaign strategy for the June 8, 2004 election for the tax reform-school funding initiative. Chris Lockwood noted that the situation remains incredibly fluid and that meetings are being held between representatives of MMA and Maine Education Association (MEA) to develop strategies for moving forward. He noted that the MMA Executive Committee budgeted \$400,000 to be used for the campaign, which is contained in the Legislative Initiatives Fund. He noted that MMA also built some additional costs into the 2004 operating budget for in-kind contributions. He indicated that the MEA has requested \$300,000 from the National Education Association (NEA) to help support that campaign, as well as \$50,000 from their budget that could possibly be used toward the campaign, if needed. He noted that MEA expects to hear a favorable response from NEA within the next week. Dana Lee noted that the proposed budget of \$750,000 includes \$550,000 to support Question 1A and \$200,000 to defeat the Palesky Tax Cap Proposal. Chris Lockwood outlined several assumptions considered in developing the proposed strategy. He provided an overview of the proposed strategy.

Executive Committee members had an opportunity to share their thoughts on the proposed strategy and to ask any questions regarding the initiatives. Executive Committee members expressed grave concerns regarding the anticipated negative implications that would be associated with a contractual relationship between MMA and the pro casino consultant (s). Dana Lee and Chris Lockwood provided information on the difficulty of identifying effective grassroots consultants that would be able or willing to work on the campaign. Dana Lee and Chris Lockwood indicated that they would not feel comfortable moving forward on the proposed strategy unless there was a unanimous vote of the MMA Executive Committee.

Dana Lee MOVED that the Executive Committee of the Maine Municipal Association authorize the Executive Director to move forward with the proposed strategy which includes a contractual relationship between the Political Action Committee for the Citizens to Reduce Local Property Taxes Statewide and Grassroots Solutions. The motion was seconded by Ryan Pelletier. MMA President Lovejoy called for a roll call vote. The motion failed with 2 in favor (Dana Lee and Ryan Pelletier) and 10 opposed. Chris Lockwood indicated that he would talk with MEA regarding the Executive Committee's position and would try to identify another grassroots consultant. He noted that a conference call of the MMA Executive Committee would be scheduled in the near future to discuss an alternative strategy for the campaign.

Bill Bridgeo MOVED that the Executive Committee of the Maine Municipal Association authorize the Executive Director to draw on the Legislative Initiatives Fund for contributions to the Citizens to Reduce Local Property Taxes Statewide political action committee, in an aggregate amount not to exceed \$100,000, with the concurrence of the MMA President and the Chairman of the Campaign Strategy Team for the purposes of promoting Question 1A and the ability to identify a possible grassroots consultant. The

motion was seconded by Ryan Pelletier. MMA President Lovejoy called for a roll call vote. The motion passed with all in favor.

May 26, 2004

Tax Reform and Tax Cap Initiatives - Jolene Lovejoy welcomed Erik Potholm (via speaker telephone) from the media firm, Stevens Reed Curcio & Potholm. She noted that Mr. Potholm has been invited to participate in the discussions on the tax reform and tax cap initiatives. Chris Lockwood provided an overview of the MEA and MMA grassroots efforts to get out the vote on June 8. He noted that there has been little support from the MMA membership in developing the phone tree approach. Chris Lockwood provided a detailed overview of the results from the recent Tom Kiley Poll focusing on the Palesky Initiative and Question 1. Discussion was held on the polling results. Erik Potholm provided information on the current media television ads being run in opposition to Question 1 and their recent media buy to increase their gross rating points. Chris Lockwood provided an overview of a proposed resolve (Handout 1) and a recap of the 2004 Tax Reform Initiative Financial Report dated May 26, 2004 (Handout 2). **Dana Lee MOVED that the Executive Committee of the Maine Municipal Association authorize the Executive Director to draw on the Legislative Initiative Fund for contributions to the Citizens to Reduce Local Property Taxes Statewide policy action committee, or to any anti-tax cap coalition as deemed appropriate by the MMA Executive Director, in an aggregate amount not to exceed \$150,000, with the concurrence of the MMA President and the Chairman of the Campaign Strategy Team. The motion was seconded by Nick Mavodones and passed with all in favor.**

June 17, 2004

Chris Lockwood provided an update on MMA's involvement in the organizational efforts and strategy for the umbrella political action committee for the Anti-Palesky campaign.

July 15, 2004

Anti-Palesky Initiative - Chris Lockwood provided an update on the coalition to oppose the Palesky Initiative and the campaign strategy for the next several months. He noted that Larry Benoit from BSSN Resources, LLC, has been retained as the Campaign Manager. He indicated that there has been a strong effort since June 2004 to develop the campaign and strategy to defeat the Palesky Initiative. He noted that the ad hoc steering committee has intentionally kept a low profile to date. He provided information on members of the ad hoc steering committee noting that although several of them were against Question 1, the chemistry has been very good and everyone is working now for one common goal- *to defeat the Palesky Initiative.*

Chris Lockwood stated that Larry Benoit is responsible for identifying and retaining the key consultants for the campaign which have been identified to date as follows: Polling Efforts Tom Kiley; Paid Media - Erik Potholm; Communication and Press Relations - Dennis Bailey; Research and Grassroots Efforts - Maine Tomorrow; Bookkeeping and Fund Raising - Stephanie Clifford; Treasurer - Anne Swift-Kayatta; and Legal Counsel- John Delahanty of Pierce Atwood. He indicated that other structural work that needs to be completed include: developing a strategic

plan and a fund raising plan; establishing an operating budget; identifying the Board of Directors; and involving the business community. He noted that the ad hoc steering committee has advised that the PAC Board of Directors be limited to five members who would ultimately be responsible for the major decisions of the campaign, and that the campaign have a number of prominent citizens serve in a more public role as the campaign chairperson and lead spokespeople. The campaign will also arrange for periodic meetings of the full coalition to keep the broad spectrum of supporters involved in the campaign and ensure ongoing coordination and messaging. Discussion was held on the anticipated operating budget needed for the campaign.

Chris Lockwood indicated that the PAC would need to be in a position by the end of August to run a major media effort. Discussion was held on political action committees formed as proponents of the Palesky Initiative and the amount of funds they have raised for the campaign.

Chris Lockwood shared information on the Governor's plans to work with the business community to get them on board with our campaign efforts. He noted that the last meeting of the ad hoc steering committee is scheduled for next week.

Chris Lockwood indicated that there are grassroots efforts being established for each of the various representative organizations in the campaign. He noted that Geoff Herman and members of the MMA State & Federal Relations staff were taking a lead to develop and implement a grassroots campaign for the Maine Municipal Association. Geoff Herman provided a basic overview of the grassroots campaign to establish countywide teams. He noted that the grassroots network being proposed would include a team of 15-20 municipal officials in each of Maine's 16 counties. The make-up would be at least one and perhaps several selectmen or councilors from each county along with a representative from each MMA affiliate group. Each 15-20 member county-wide-team would be connected to the broader coalition through an MMA staff liaison. Ryan Pelletier MOVED that the Executive Committee of the Maine Municipal Association hereby votes to join the Citizens United to Protect Our Public Safety, Schools and Communities, a political action committee established for the purpose of opposing the so called Palesky Tax Cap Initiative. Further, the Executive Committee authorizes the MMA Executive Director or his designee to participate, as a representative of the Maine Municipal Association, and hold a position as a regular member of the board of directors and/or other positions in the Citizens United to Protect Our Public Safety, Schools and Communities political action committee, as he may deem necessary and appropriate. The motion was seconded by Clint Deschene. Dana Lee expressed concerns with previous miscommunication between staff and the MMA Executive Committee and noted that he would favor protective language to the motion as underscored:

... Further, the Executive Committee authorizes the MMA Executive Director to participate with direction from the Executive Committee as a representative of the Maine Municipal Association, and hold a position as a regular member of the board of directors and/or other positions in the Citizens United for Maine's Future political action committee, as he may deem necessary and appropriate. Nick Mavodones recommended that this language not be added to the resolve, but that the direction is made clear that as compromises arise, the Executive Director will check back in with the Executive Committee.

Discussion was held on the suggested revision. Nick Mavodones indicated that he would favor not including the revised language in the motion, but that the Association be put on notice that when and if any compromises arise, the Executive Committee would be kept informed and have an opportunity to weigh in on the decisions for the Association. Members of the Executive Committee expressed concurrence with direction provided by Nick Mavodones. Jolene Lovejoy called for a vote on the original motion. **The original motion passed with all in favor.**

Discussion was held on the second Resolve and whether the \$150,000 was in addition to funds already approved by the MMA Executive Committee. Marty Hanish provided an overview of the Financial Review Handout and noted \$250,000 in PAC contributions had been previously authorized by the Executive Committee, but that only \$190,000 was utilized, leaving a balance of \$60,000. He noted that the \$150,000 proposed on this date would make a total of \$210,000 available for contributions to the Citizens United to Protect Our Public Safety, Schools and Communities PAC.

Dana Lee MOVED that the Executive Committee of the Maine Municipal Association hereby authorize the MMA Executive Director, with the concurrence of the MMA Officers, to expend an additional amount not to exceed \$150,000 from the Legislative Initiatives Fund, for a total of \$210,000, in support of the Citizens United to Protect Our Public Safety, Schools and Communities political action committee formed to oppose the so-called Palesky Tax Cap Initiative. The motion was seconded by Ruth Marden.

Discussion was held on the financial contributions anticipated by other coalition organizations. The Executive Committee expressed concerns with MMA being the initial primary funding source for the coalition. Chris Lockwood provided information on the timing for placing media buys and the need for the coalition to have preliminary funds available as soon as possible to support this critical phase of the campaign. The Executive Committee expressed a desire to be kept informed on all financial disbursements made to the coalition and noted their comfort level for the Executive Director and Officers to expend up to \$50,000 at this time. Dana Lee provided reassurance to the full Executive Committee that as an MMA officer, he would bear in mind the concerns expressed today prior to expending any portion of the authorized \$210,000. Jolene Lovejoy called for a vote on the motion. The motion passed with all in favor.

August 17, 2004

Update on Citizens United to Protect of Safety, Schools & Communities - Chris Lockwood provided a detailed update on the progress and various elements of the umbrella Political Action Committee organized to defeat the Palesky Tax Cap proposal. Discussion was held on fund raising efforts and the Governor's role in contacting key business leaders. Chris Lockwood noted that he shared the MMA Executive Committee's concerns regarding the response to date on fund raising efforts with the PAC Board of Directors during its meeting held August 13, 2004. Discussion was held on the Maine Municipal Association's contributions to date. Chris Lockwood noted that to date MMA has contributed \$10,000; that the PAC has requested that by the end of this week MMA contribute an additional \$90,000; and that in early October MMA contribute its final contribution of an additional \$100,000. An in-depth discussion was held on the concerns of several board members that funding has been limited in other areas, namely the

business community. The Executive Committee indicated that they support the contribution strategy laid out by Chris Lockwood, however they asked that MMA hold off making the \$90,000 contribution to the PAC until the end of August. Chris Lockwood thanked the MMA Executive Committee for their support and concurrence to move forward with the strategy as outlined.

MMA Grassroots Effort for the Anti-Palesky Campaign - Chris Lockwood noted that Geoff Herman and the State & Federal Relations staff, along with Michael Starn, have taken a lead role in developing an outreach grassroots effort to inform our membership on the Palesky Tax Cap Proposal and the impacts on municipalities. Geoff Herman provided a detailed overview of the regional meetings scheduled throughout the state from September 7 - September 30; the Policy One Research analysis using 10 model communities; maintaining the MMA website to contain updated information on the impacts of the Palesky Tax Cap proposal; and the limited success to create County Teams of Volunteers to coordinate grassroots efforts in their communities. Geoff Herman noted that the Palesky Proposal section of MMA's website is now up and running and hopes to have all community information available, including news articles, etc. He noted that a flyer is going out this week to all members in the MMA database.

Chris Lockwood provided information on the polling efforts and messaging for the campaign. He noted that the messaging for the initial ads is based on the results of the Kiley poll conducted earlier this summer and that additional polling will help revamp the messaging for the next phase of the campaign.

September 23, 2004

PALESKY INITIATIVE UPDATE

Chris Lockwood provided an update on organizational efforts and activities for the Citizens United to Protect Our Public Safety, Schools and Communities, including fund raising efforts, the Governor's commitment and favorable results with fund raising, press coverage, media buys, the most recent polling results (Handout 1), and the financial status of transfers from the MMA Legislative Initiatives Fund (Handout 2).

Geoff Herman provided information on the progress of MMA's grassroots efforts to defeat the Palesky Initiative, including the positive reaction and participation at regional forums, press coverage, media calls, scheduled debates, letters to the editor and being the primary focus for general sessions at the MMA Annual Convention.

Marty Hanish provided an overview of the approach and process MMA management has developed to work with the Strategic and Finance Committee in preparation for the 2005 MMA budget, taking into account the uncertainty associated with the tax cap ballot measure. He noted that the approach has been two-pronged: (1) if the Palesky Tax Cap proposal does not pass; and (2) if the Palesky proposal passes. He provided information on the Association's contingency strategy to date: (1) to impose a budget freeze for current year and (2) to impose a position vacancy scrutiny process. He noted that there is a waiver process in place so that the Association

is taking into consideration special circumstances, etc. He noted that the goal at this point is to maintain as much surplus as possible for 2004 and to avoid long-term financial commitments to the extent possible. He noted that if Palesky is enacted there would still be a great deal of uncertainty until judicial and/or legislative developments play out. One of the Association's strategies would be to enable municipalities to continue membership in the Maine Municipal Association and its self-insured programs until the picture clarifies. Marty Hanish indicated that the first budgetary meeting with the Strategic & Finance Committee has been rescheduled for November 5th, to fall after the November election.

November 18, 2004

Anti-Palesky Campaign Recap - Chris Lockwood welcomed and introduced Larry Benoit of BSSN Resources, the campaign manager for *Citizens United to Protect our Public Safety, Schools and Communities*. Mr. Benoit provide a recap of the overall campaign and thanked the Executive Committee for MMA's participation and support. Discussion was held on the upcoming legislative session, the Chamber's Maine Plan referendum, and Mary Adams' Tax Payers Bill of Rights referendum. Chris Lockwood provided information on his efforts to thank legislators, campaign participants and donors, as well as MMA staff and members of the campaign headquarters. He provided information on a letter received from City Manager Ed Clifford, City of Biddeford, requesting information on MMA funding for the campaign and our response to the request (Handout 1).

TO: MMA Executive Committee
FROM: Chris Lockwood
SUBJECT: Update on Umbrella Anti-Palesky PAC
DATE: July 7, 2004

During the past several weeks significant headway has been made in the effort to form a broad-based coalition to oppose the Palesky initiative. In follow-up to the initial organizing meeting on June 15, a smaller ad hoc Steering Committee was formed and has met several times to take the necessary next steps. A key focus has been identification and selection of a firm to serve as the overall campaign manager. I participated on a six-member panel which interviewed several consultants. The interview panel was very pleased to have our top choice, BSSN Resources, LLC, accept the assignment to serve in this capacity. Larry Benoit, a principal of BSSN Resources, will be the lead consultant responsible for overall coordination of the campaign.

At the request of the ad hoc Steering Committee and the campaign manager, we have been maintaining a low profile during this formative stage as the necessary structure is developed and appropriate filings are made to establish the PAC. We anticipate a formal announcement of the establishment of the PAC should be made within the next few days.

BSSN Resources is actively at work putting together an overall campaign plan, developing a fund-raising plan, assembling a team of other consultants (e.g., paid media, polling, grassroots & research, press & communications, etc.) and establishing the formal PAC structure.

I will provide a more in-depth report at the July 15 Executive Committee meeting, but wanted to provide this brief update in advance of the meeting. We will provide a financial update on the funds available and will prepare draft resolutions for your consideration to authorize contributions and participation in the PAC. Please contact me (1 800 452 8786; 623 8428) if you have any questions or would like to discuss any of these items in advance of the July 15 meeting.

From: Chris Lockwood

Sent: Friday, July 16, 2004 4:16 PM

To: Geoff Herman; Jeff Nevins; Theresa Chavarie

Subject: FW: Citizens United for Maine's Future/campaign info

Here's the meeting notice and attachments for the ad hoc Steering Com mtg on 7/21 - chris

-----Original Message-----

From: Stephanie Clifford [mailto:sclifford@bssn.com]

Sent: Friday, July 16, 2004 3:25 PM

To: Chris Lockwood (E-mail); Daniel Breton (E-mail); Darrell Fornier (E-mail); Dave Wilby (E-mail); Donnie Carroll (E-mail); Kit St. John (E-mail); Larry Benoit (E-mail); Mark Gray (E-mail); Martha Freeman (E-mail); Ned McCann (E-mail); Paul Gasper (E-mail); Rob Walker (E-mail); Sarah Standiford (E-mail); Stephanie Clifford (E-mail); Steve Crouse (E-mail); Susan Mitchell (E-mail)

Subject: Citizens United for Maine's Future/campaign info

Please see attached:

- 1) Meeting Notice
- 2) Memo to Coalition members from Larry Benoit
- 3) MMA memo to members
- 4) Governor's letter to Portland Chamber

<<Ad Hoc Steering Committee Meeting 7-21-041.doc>> <<campaign_update_July16.doc>>
<<governors_letter_to_chamber.pdf>> <<MMA website cgl ltr - 7-16-04.doc>>

CITIZENS TO REDUCE LOCAL PROPERTY TAXES STATEWIDE

POLITICAL ACTION COMMITTEE

DATE	DESCRIPTION	PAC REVENUES	PAC EXPENSES	PAC INCURRED	TRI DESIGNATED FUND
7/2/2002	The Potholm Group - Go/No Go Tracking				\$ 5,500.00
9/23/2002	The Potholm Group - August 2002 Consulting				\$ 4,000.00
9/24/2002	MMA Transfer to PAC from MMA Legislative Initiatives Fund	\$ 20,000.00			
10/9/2002	The Potholm Group - Sept 2002 Consulting		\$ 2,000.00		
10/9/2002	Perkins Thompson Consulting - Contract Payment		\$ 11,000.00		
10/29/2002	Perkins Thompson Consulting - Contract Payment		\$ 5,000.00		
10/31/2002	MMA Transfer to PAC	\$ 15,000.00			
10/31/2002	Check Supply Purchase		\$ 36.50		
11/5/2002	The Potholm Group - Sept & October 2002 Consulting		\$ 5,000.00		
11/8/2002	J.S. McCarthy Printers - Petitions and Envelopes		\$ 6,975.60		
12/20/2002	Perkins Thompson Consulting - Temporary Employees		\$ 10,121.90		
1/3/2003	MMA Transfer to PAC from MMA Legislative Initiatives Fund	\$ 30,000.00			
1/6/2003	MEA Transfer to PAC	\$ 2,500.00			
1/8/2003	MSSC Transfer to PAC	\$ 1,000.00			
1/8/2003	The Potholm Group - November & December 2002 Consulting		\$ 16,000.00		
1/8/2003	The Potholm Group - November Polling		\$ 16,000.00		
1/17/2003	C.J. McCarthy Insurance - Professional Liability Ins.		\$ 2,100.00		
1/23/2003	MMA Transfer to PAC from MMA Legislative Initiatives Fund	\$ 25,000.00			
1/31/2003	Perkins Thompson Hinckley & Keddy Law Firm			\$ 3,261.50	
2/11/2003	The Potholm Group - January 2003 Consulting			\$ 8,000.00	
2/11/2003	Demographic Strategies - Survey			\$ 4,000.00	
	Perkins Thompson Consulting - Contract Payment			\$ 4,000.00	
	TOTAL	\$ 93,500.00	\$ 74,234.00	\$ 19,261.50	\$ 9,500.00

2/12/2003 ACCORDING TO BRIAN WOLCOTT - PAC CHECKING ACCOUNT BALANCE IS \$26,183.60

From: Chris Lockwood
Sent: Friday, July 16, 2004 10:42 AM
To: 'sclifford@bssn.com'
Cc: Theresa Chavarie
Subject: draft memo and attachment

Contacts: Stephanie Clifford

Stephanie - here's a rough draft of a meeting notice to go to the ad hoc steering committee. Please check with Larry in terms of contact information to include Sarah Standiford (sp?). I'm also attaching the revised letter we're sending to our members as an update on the campaign. I've referenced this attachment in the draft memo, along with the communication I understand you folks are sending to various groups who had previously been contacted. Please give a call if you have any questions or would like to discuss these arrangements. Theresa Chavarie in our office has made tentative arrangements for lunch for 18 people, but it would be helpful to have a more accurate count by Tuesday so we can contact the caterer. thanks - chris



Ad Hoc Steering MMA website cgl ltr
Committee Meet... - 7-16-04....

**Ad Hoc Steering Committee Meeting
Wednesday, July 21, 2004
Maine Municipal Association office
60 Community Drive
Augusta**

11:00 a.m. – 1:00 p.m. (estimated)

This is to confirm arrangements for a meeting of the Ad Hoc Steering Committee as noted above. For your information, the MMA office is located to the left and rear of the Augusta Civic Center.

(suggest this include a paragraph from BSSN regarding the agenda items to be discussed)

As requested at the July 14 Ad Hoc Committee meeting, we are enclosing an electronic copy of the communication (with edits) the Maine Municipal Association is sending to its members as an update on the anti-Palesky campaign and efforts to form the coalition. Please feel free to modify this material as needed for your respective organizations. We are also attaching a copy of the communication we are sending to each of the organizations which had been contacted and invited to attend the June 15 initial organizing meeting in Portland. A variation of this communication is also being sent to other organizations which had expressed an interest in receiving more information.

It would be helpful for meal planning purposes if you could notify Stephanie Clifford, BSSN Resources (sc Clifford@bssn.com ; cell - 415 8319), whether you will be able to attend the July 21 meeting. Thank you.

Dear MMA Members,

Carol Palesky and the Maine Taxpayers Action Network have secured the necessary signatures to place their tax cap proposal on the November 2, 2004 ballot. The Palesky Proposal scales back assessed property values to their 1996 level, allows for certain interim adjustments for construction and sales, and imposes a property tax cap of 1% - or 10 mills – on that 1996 base.

The Palesky Proposal is entirely excerpted from California law – it was known as “Proposition 13” – and contains dozens of provisions that do not coincide with Maine law. In fact, not only are the provisions inconsistent with Maine law, they are often in direct conflict with themselves, the Maine Constitution, or both! Therefore, it is very difficult to do an exact analysis of the potential impacts.

Under the “likely” impact analysis, that assumes that large segments of the proposal will be deemed unconstitutional, the municipal tax revenue loss in FY 05 would be nearly \$600 million, representing a 30% reduction in property tax revenues.

The loss of revenue would have significant adverse impacts on municipal service delivery, resulting in significant reductions or elimination of basic municipal services programs like police, fire, emergency medical services, public works, schools, and investments in infrastructure to support economic development.

The Palesky “meat ax” approach to property tax relief could pass. It would effectively take away the ability of Maine citizens to self-govern. The proposal is a dramatic threat to the way we govern in Maine and we must unite to defeat it.

There have been a number of questions about what has been done to organize the campaign to defeat the Palesky Proposal. The Maine Municipal Association has been working actively with other interested parties to build a coalition and establish a served as the catalyst to develop the campaign structure to oppose the Palesky Proposal. This spring considerable groundwork was done to begin building the coalition, with an initial meeting of interested parties in mid-June and subsequent working meetings of an Ad Hoc Steering Committee, and an initial meeting of the interested parties was held in mid-June. Subsequently, there have been additional meetings to build the campaign structure.

It is absolutely essential that the coalition consist of a diverse group of organizations including business, labor, social service organizations, non-profit organizations, education, health care, government, special interest groups, and public safety, and many other interested organizations and individuals. The goal is to put together the largest and most diverse coalition this state has ever seen to oppose the proposal.

As one of the key first steps, the Ad Hoc Steering Committee interviewed a number of firms with expertise in planning and organizing ballot campaigns. The Committee was very pleased that BSSN Resources, LLC, and its managing director, Larry Benoit, agreed to take on the assignment to serve as the campaign director. Larry has extensive campaign experience during

his thirty-year career in government service, having served in senior positions with Senator Edmund Muskie, Senator George Mitchell and Congressman John Baldacci.

The coalition has officially established the campaign committee as “Citizens United for Maine’s Future”. The coalition has filed the required paperwork to create a political action committee (PAC) that will coordinate the campaign against the proposal. Larry Benoit is assembling a campaign team and moving forward in developing a strategic campaign plan to execute a well-funded and carefully coordinated campaign to defeat the Palesky Proposal. The campaign will include the following components:

- Organizing the “grassroots” effort to develop a comprehensive Get-Out-the-Vote campaign.
- Developing an advertising campaign.
- Coordinating a media relations plan.
- Conducting surveys and research to show the impacts of the Palesky Proposal and help guide the campaign strategy.
- Scheduling and coordinating speaking engagements and public debates.
- Preparing informational materials and literature to support the campaign.
- Creating campaign signage and bumper stickers.
- Organizing the distribution of campaign literature through mailings, phone banks, email and other means.
- Raising sufficient revenue to properly fund the anti-Palesky campaign.

As you can see, there’s a lot of work that needs to be done and we are moving forward. Much of the organizational work must be done during July and August. It is quite likely that the campaign will start to ramp-up toward the end of August. We are working diligently now, to make sure that we set the foundation for defeating the Palesky Proposal in November.

At this point, there are a few things you can do:

- 1) Urge your town or city to adopt a resolution or position statement in opposition to the Palesky Proposal.
- 2) Ask your municipal officials to identify the Palesky Proposal impact for your municipality, either by relying on the information for your community in the MMA spreadsheets or developing a more municipal specific impact analysis using specific local data.
- 3) Actively share this information with your elected officials, school board members and staff, and with your local citizens.
- 4) Visit the MMA website at www.memun.org to get updated information about the campaign and the impacts of the proposal.

As more detailed information about the campaign is available we will pass it along. **We have a big task ahead, but if we work together we can defeat this dangerous proposal!**

Sincerely,

Christopher G. Lockwood
Executive Director

From: Chris Lockwood
Sent: Friday, July 16, 2004 4:30 PM
To: Theresa Chavaric
Subject: FW: Update: Coalition to Defeat the Palesky Initiative
fyi

-----Original Message-----

From: Stephanie Clifford [mailto:sclifford@bssn.com]

Sent: Friday, July 16, 2004 3:32 PM

To: Arn; arobinson@preti.com; barker@powerlink.net; carl.leinonen@mseasei.org; clockwood@memun.org; daniel.b.breton@verizon.com; ddurost@mpa.com; dick@mainerestaurant.com; DirigoAl@maine.rr.com; doubllass@powerlink.net; douglass@powerlink.net; exdir@smems.org; gary@portlandmaine.gov; info@mainewomen.org; Jay; jcannon1@profirefighter.com; jcohen@verrilldana.com; jdoyle@doynelson.com; jim@mmamall.org; Jim@TeamstersLocal340.org; jjhmaine@maine.rr.com; jjordan@southportland.org; jscherma@thomas.lib.me.us; Jud; jwilliams@pulpandpaper.org; Kathleen; katie.harris@anthem.com; kmcgee@gwi.net; ldelicata@mitinelse.org; lgross@smaaa.org; maine1gsl@aol.com; Mark; markpdme@maine.rr.com; mcopa@maine.rr.com; mecep@mecep.org; mhenderson@mejp.org; mlajoie@ci.lewiston.me.us; mmayhew@themha.org; mroy@oaklandmaine.com; msylvester@commoncause.org; Nathan Smith; paul_gaspar@cape.k12.me.us; Phyllis; rerb@mehca.org; Rob; robbrown72@msn.com; snorman@belfastlibrary.org; Steve; Steve; tammy@ntplx.net; tom@maineautodealers.com; unionned@hotmail.com; wwerts@ci.auburn.me.us

Cc: Larry Benoit

Subject: Update: Coalition to Defeat the Palesky Initiative

Memorandum

TO: Opponents of the Palesky Initiative
FR: Larry Benoit, Campaign Director
RE: Campaign Report #1
DT: July 16, 2004

This is an interim update on the status of the campaign against the Palesky initiative.

Last month you were contacted to help organize a campaign in opposition to the Palesky referenda question. Nearly 50 Maine groups and organizations have indicated a desire to join a statewide coalition to defeat the Palesky "meat ax" initiative. Over the past three weeks an informal steering committee, consisting of community, municipal, education, labor, business and public safety leaders collaborated to establish a statewide political action committee and begin the challenging work of building a statewide campaign organization.

As one of its first steps, the informal committee interviewed a number of firms with expertise in planning and organizing ballot campaigns. Our firm of BSSN Resources, LLC, was pleased to accept the invitation of the committee to take on the assignment to serve as campaign director. We are in the process of assembling a strong campaign team to build a broad statewide coalition and to organize and execute a successful campaign.

We are pleased to report that the campaign against the Palesky initiative is formally underway. We have incorporated and registered a political action committee, **Citizens United for Maine's Future**. Anne Swift-Kayatta of Cape Elizabeth will serve as Treasurer of the committee and John Delahanty will serve as Legal Counsel. Stephanie Clifford will serve as Finance Director and Deputy Campaign Manager. Additional "grass roots" coordinators will be added soon.

We ask that you verify some important information concerning your organization's participation in the campaign:

1) Please confirm by responding to this e-mail that your organization wants to be listed on our official website as opposed to the Palesky initiative.

2) Please verify your contact information, including:

Contact Name(s): _____

Organization: _____

Mailing address : _____

Phone(s): _____

E-mail: _____

Website (URL): _____

We will be sending you a more detailed campaign report next week. However, in the meantime we are moving forward with the following projects:

1) Our website will be operational by August 6th. We will provide you with the domain name (URL) in the near future. We will also provide a link to your website, if you indicate the URL above.

2) Our campaign office will be opened at 115 Middle Street, Portland, on July 28th.

3) **Citizens United for Maine's Future** will hold a news conference the week of July 26th at which time the committee's leadership and membership will be publicly announced. You will receive an invitation to that event as soon as the details are determined.

4) We are preparing a white paper on the impact of the Palesky initiative, which will be forwarded to you in the near future. In the meantime, I have attached for your information a letter from Governor Baldacci to the Portland Regional Chamber, which responds to an inquiry from Godfrey Wood, Executive Director.

While our headquarters is being set up for opening, you may reach me or Stephanie Clifford at 774-1200.

Contributions and correspondence should be directed to:

Citizens United for Maine's Future
P. O. Box 188
Portland, Maine 04112-0188

We can accept contributions in any amount from corporations and individuals. Checks should be made payable to "Citizens United for Maine's Future". Please note that contributions are not tax deductible for federal and state tax returns.

<<governors_letter_to_chamber.pdf>>

To: All Chief Elected Municipal Officers
Fr: Geoff Herman
Re: Establishment of county-wide teams to fight the Palesky proposal
Date: July 23, 2004

The Maine Municipal Association is trying to build a grassroots communication network among municipal officials across the state to combat the Palesky tax cap proposal. The purpose of this memo is to both provide information about our efforts and invite interested municipal officers (selectmen and town or city councilors) from each county to directly participate in the network.

As you may be aware, the Maine Municipal Association is a member of very broad-based coalition of individuals, organizations and interest groups that is forming for the purpose of defeating the Palesky tax cap proposal that will be on the statewide referendum ballot on November 2, 2004. (See attached letter from Chris Lockwood.)

That coalition is represented by the "Citizens United for Maine's Future" Political Action Committee (PAC).

Many of the associations within the PAC are going to establish a grassroots network within their organization for the purpose of advocating against the adoption of the Palesky proposal in coordination with the efforts of the entire coalition.

The structure of the internal grassroots system we are proposing to establish throughout the municipal community consists of a team of 15-20 municipal officials in each of Maine's 16 counties. The make-up of this grassroots team would be at least one and perhaps several selectmen or councilors from each county along with a representative from each of MMA's affiliate groups (e.g., the Maine Chiefs of Police Association, the Maine Municipal Tax Collectors and Treasurers Association, etc.), all of whom agree to volunteer to serve in the role of county coordinator. Each 15-20 member county-wide team would be connected to the broader coalition through a MMA staff liaison.

The roles and responsibilities of each coordinator within the county-wide team would be as follows:

- Establish and maintain an e-mail and telephone network throughout the county so that you can communicate to the municipal colleagues in your affiliate group and to the other members of the county-wide team (MMA

would help you set up the system, both for affiliate group representatives and for elected officials serving on the county-wide team):

- Act as a communication liaison, quickly disseminating information in both directions; that is, from the coalition to the municipal colleagues throughout the county in your affiliate group, and from your municipal contacts to the coalition through your MMA staff liaison.
- Become familiar and conversant with the anti-Palesky messages that are developed by the coalition and work at applying those messages with real-life examples from the communities in your region;
- Become familiar and conversant with the financial and service delivery impact studies regarding the Palesky Proposal that have been and will continue to be developed by MMA and individual communities;
- For specific municipal services, work with your colleagues in the affiliate group to develop a common profile regarding the impact of the Palesky Proposal on the specific services provided by your affiliate group throughout the region;
- Inform your colleagues about debates, speaking engagements and other Palesky-related forums in your region, and motivate them to attend;
- Monitor press stories, editorials, op-ed opinions and letters to the editor throughout your region and work with your county-wide team to provide appropriate responses;
- Help identify credible and effective people within your community who are willing and available to speak in public and, potentially, in the media campaign in opposition to the Palesky proposal;
- Be available to pick up VOTE NO road signs and bumper stickers from central distribution points, put up those signs, and ultimately take those signs down on November 3d; and
- Other related anti-Palesky activities.

It is our hope to have the county-wide teams in place by the end of July or first week in August. We expect to convene each team in a regional meeting with other interested municipal and school officials in early September in order to discuss a variety of campaign strategy issues as we enter into the thick of the campaign season.

If you or another municipal officer on your board is interested in serving in this capacity as the elected official liaison on the county-wide team, please do not hesitate to contact me at 1-800-452-8786 or gberman@mcmun.org. In order to avoid overlap, we are looking to identify at least one and probably no more than four elected municipal officers, per county, to serve in this role. Don't worry, though. If there is significantly greater interest expressed in support of this effort, we'll figure out some way to constructively harness that energy!

Thanks very much for your interest.

From: Chris Lockwood

Sent: Tuesday, August 10, 2004 12:35 PM

To: Theresa Chavarie; Geoff Herman; Chuck Jackson; Kate Dufour; Laura Veilleux; Jeff Austin; Jeff Nevins; Martin Hanish; Steve Gove; Christina St. Pierre; Anne Wright; Kathryn Norton; Pat Kablitz; Bill Livengood

Subject: FW: Citizens United to Protect Our Public Safety, Schools and Communities

FYI - here's the notice of a general meeting of the coalition. I have responded that I will attend and expect that several other MMA staff members might attend as well. let me know if you have any questions. thanks. chris

-----Original Message-----

From: Stephanie Clifford [mailto:sclifford@bssn.com]

Sent: Tuesday, August 10, 2004 11:06 AM

To: Stephanie Clifford

Cc: aeskay@maine.rr.com; ang@maine.rr.com; Betsy Smith; betsysweet@aol.com; carl.leinonen@mseaseiu.org; cbd@ceimaine.org; cfeller@maine.rr.com; clockwood@memun.org; cpotholm@bowdoin.edu; dalemcc@earthlink.net; daniel.b.breton@verizon.com; pills@maine.rr.com; davidf@day-one.org; rtrahey@mainetomorrow.com; dkbell@maine.edu; douglass@msmaweb.com; dwilby@iepm.org; egoldberg@mekids.org; epotholm@srcpmedia.com; exec@mainewomen.org; fournier@blazenetme.net; fjl@portlandmaine.gov; gcummings@smccme.edu; dirigoal@maine.rr.com; getsavvy@maine.rr.com; gdumas@maine.rr.com; carbone@maine.edu; jalfond@aol.com; jbennett@ci.lewiston.me.us; jcannon1@profirefighter.com; jcarrjpc@aol.com; jcohen@verilldana.com; jdelahanty@pierceatwood.com; mainepta@aol.com; jeremy@mainerealtors.com; jgullive@maine.rr.com; jpritch1@maine.rr.com; jjhmaine@maine.rr.com; tristatepolice@ctel.net; jwalker3@maine.rr.com; jdoyle@doynelson.com; jspagnola@maine.rr.com; osgooj1@mmc.org; kmcgee@gwi.net; lgifford@cmetitle.com; lpohlmann@mecep.org; maryeliz@maine.rr.com; mcee99@aol.com; mecep@mecep.org; mfreem@maine.rr.com; mgray@nea.org; mhenderson@mejp.org; mlajoie@ci.lewiston.me.us; mpa@maine.rr.com; Neal Allen; nec@scarborough.lib.me.us; peterd@portlandmaine.gov; politics@mseaseiu.org; raoul010@att.net; scrouse@nea.org; sjennings@aarp.org; skowpd@skowhegan.org; tammy@mainepeoplesalliance.org; tewell@mainecouncilofchurches.org; tvn@portlandmaine.gov; unionned@hotmail.com; wbonney@maine.rr.com; ex_dir@smems.org; Larry Benoit; rwalker@nea.org; Stephanie Clifford

Subject: Re: Citizens United to Protect Our Public Safety, Schools and Communities

Coalition Members:

We are having our first full organizational meeting of the committee, Citizens United to Protect Our Public Safety, Schools and Communities on Wednesday, August 18th at 9:00 a.m. at the Augusta Civic Center in the Fort Western/Arnold/Howard room.

The purpose of the meeting is to discuss the overall campaign strategy and message. We plan to have a discussion about how to coordinate the efforts of all of our members in order to beat the Palesky initiative. We really need your help and appreciate your support.

Please RSVP to this email. I have updated the coalition email address list and have only sent this notice to confirmed coalition members. Please make sure to forward this email to groups and individuals who may be interested in joining our efforts and urge them to contact me directly. Thanks very much. We look forward to seeing you next week.

Stephanie Clifford

Deputy Campaign Manager/Finance Director

Citizens United To Protect Our Public Safety, Schools and Communities

115 Middle Street 2nd Flr

Portland, Maine 04101

(207)879-1198

(207)774-1127 fax

Jeff Austin

From: Jeff Austin
Sent: Tuesday, August 31, 2004 3:01 PM
To: Geoff Herman
Cc: Kate Dufour; Mike Starn; Laura Veilleux
Subject: Today's PAC Meeting

Here are my notes from today's meeting at BSSN regarding Ground Game.

Following is a list of attendees/groups:

MEA; Me. Womens Lobby; AARP; Me. Peoples Alliance; Kit St. John; Dick Trahey; FF union; PD union; AFL-CIO; Kathleen McGee; MMA; Steffanie Clifford; Savvy Inc.; and Dori Waxman.

Issues Raised:

Fundraising:

SC stressed that she is finding fundraising difficult in the face of the Chamber remaining on the sidelines. The 9/21 fundraiser is still scheduled. Invitations have not yet gone out and is not yet on their website. (We do have a copy of the draft invitation.)

I think we should direct donors to the PAC website; in particlur we should direct them to the fundraiser info once its online.

SC indicated that she is still pulling together a finance committee. She said she will be having a finance committee meeting next week.

I think we should attend the finance committee meeting.

SC also indicated they have hit a snag with accepting credit card donations. No indication on when this will be resolved.

Bottom Line: Other than the 9/21 fundraiser I'm not exactly sure what the fundraising plan is.

Grassroots:

A woman named Dori Waxman has been hired to help coordinate the ground game. They did not indicate who hired her (Trahey or BSSN) they did not indicate whom she will answer to etc. She did not provide any contact info. It would appear that she is working with Trahey.

They are still in the "brainstorming" phase. For example, they kind of floated the idea of attending fairs. It was not clear whether they actually wanted people at fairs; what they wanted people to do; what literature to bring etc. It was just kind of floated as an idea. My sense of the people in the room is that they were expecting more than a brainstorming session. They were looking for clearer direction. Maybe that is unfair to expect at this point. But this is my sense of where the organizations are.

Dick Trahey has apparently completed a draft game plan. It was not circulated. We were told that a game plan including specific dates would be ready next week.

We must get the game plan next week. This is a high priority.

Several coalition members appeared to be ahead of the PAC in terms of ground game planning. An example of this is the police are set to order their own law signs to be distributed at their early September meeting.

SY from Savvy and Ms. Waxman are putting together a master event calendar. This calendar will not appear on the website. They said it would be done and circulated by the end of this week.

We must get this calendar so we know what everybody else is up to.

Future Meetings

Lastly, we set meetings for every other Tuesday through the end of October. The meetings will be in Augusta from now on.

I have other misc. notes that I will share.



CITIZENS UNITED

To Protect Our Public Safety, Schools and Communities

Vote NO on Question 1: Defeat the Palesky Meat A

Palesky Impact

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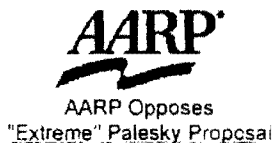
Links and Resources

Leadership & Coalition

Welcome to the official website of Citizens United to Protect our Public Safety, Sch and Communities. We are a rapidly growing coalition of more than 40 business, education, public safety, volunteer, human service and community based organiza opposed to the Palesky initiative -- Question 1 on the November 2nd referendum b

The Palesky meat ax will decimate public safety, public education, health care, and municipal and state services. Please learn the facts about this dangerous proposal join us in the campaign to defeat it.

Wes Bonney, Chairman
Former CEO of Peoples Heritage



Maine Municipal Assoc



The Palesky Proposal:
"The Danger Ahead"

The Palesky Meat Ax Initiative Is Not What It Appears To Be

The drastic Palesky proposal promises relief to property taxpayers, but will actually bring severe pain. Here's why...



The Merrow Report: From First to Worst

How Proposition 13 -- the model for Palesky meat ax -- has ruined Calif public school system. View PBS documentary...

UMaine Study by Professor Todd Gabe

Palesky proposal could lead to massive cuts in vital state programs. [Read report...](#)

Gov. Baldacci Opposes Question

Why the Palesky "meat ax" will be bad for Maine's economy. [Read letter](#)



We have a new campaign office in Portland at 115 Middle Street. If you would like contact us, please call (207) 879-1198 or email info@citizensunitedformaine.com.

Paid for and Authorized by Citizens United to Protect Our Public Safety, Schools, and Communities.
Anne Swift-Kayatta, Treasurer