

LETTER OF AGREEMENT REGARDING CONSTRUCTION-RELATED SERVICES

This *Letter of Agreement*, effective September 1, 2016, is entered into by and between EDUCATIONAL SERVICE DISTRICT No. 112 ("ESD No. 112") and NORTHWEST EDUCATIONAL SERVICE DISTRICT No. 189 ("NWESD No. 189"). By the Interlocal Cooperative Agreement dated February 17, 2016, the nine Educational Service Districts agreed to work together to provide services authorized by Chapter 28A.310 RCW to school districts located within each other's regions and to affirm the cooperative working relationships between the nine ESDs in the State of Washington.

This *Letter of Agreement* delineates the partnership between ESD No. 112 and NWESD No. 189 concerning construction-related services in the NWESD No. 189 region. Specifically:

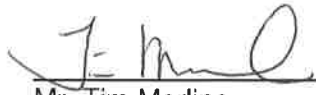
- 1) Scope of Services. ESD No. 112 shall provide construction-related services, on a cooperative basis with NWESD No. 189, to school districts within NWESD No. 189's region. The division of responsibilities and duties between the respective ESD's will be determined and agreed to on a project-by-project basis. The construction related services under this *Letter of Agreement* shall include, but are not limited to:
 - A) overall capital project planning and management;
 - B) construction management;
 - C) building commissioning; and/or,
 - D) constructability reviews.
- 2) Project Staffing. ESD No. 112 shall provide and supervise staff to provide the construction-related services, assuring for compliance with all required background clearance (e.g., Chapter 28A.400 RCW), except that NWESD No. 189 employee Tex Ladish will be given the first opportunity for any construction-related work for which he is qualified in the NWESD No. 189 region.
- 3) Additional Staffing. At ESD No. 112's request, NWESD may provide additional support staffing to Tex Ladish's Construction Services Group work. At this time of this *Letter of Agreement's* execution this clerical support is being provided by ESD No. 112 employee Gerry Millo, who is sited at NWESD No. 189. ESD No. 112 may elect to end this additional clerical support at any time by providing thirty (30) days written notice to NWESD No. 189. Such notice would not terminate the remaining portions of this Agreement and such additional support could be reestablished at any future point in time, subject to the availability of appropriate staff.
- 4) NWESD No. 189 Commitments. NWESD No. 189 will:
 - A) Promote the ESD No. 112's Construction Services Group in the NWESD No. 189 region, making introductions as requested and appropriate.
 - B) Make its employee Tex Ladish available for the purpose of working under ESD No. 112's Construction Services Group's supervision, direction, and management.

- C) Provide facility space, telephone, internet access, and technology support in its Anacortes facility for Tex Ladish and, if requested, any other Construction Services Group employee providing services in the NWESD No. 189 region, at the rates adopted for NWESD No. 189 employees.
 - D) Submit to the ESD No. 112 Fiscal Department timely invoices detailing the services or goods rendered for requested reimbursement. Such invoices will provide a detailed breakdown of actual authorized expenses, identifying what was expended and when. Anticipated NWESD No. 189 employee (e.g., Tex Ladish and any ESD No. 112 authorized clerical support)-related expenses include:
 - i) per diem salary (annual salary divided by actual work days [260 days less holidays and leaves]) and benefits (consistent with those provided other NWESD employees);
 - ii) infrastructure costs (e.g., space, telephone, technology, licensing) for Construction Services Group work (at rates consistent with those provided other NWESD employees, prorated when/if not full time);
 - iii) supplies/materials necessary for Construction Services Group work (e.g., postage/shipping, membership fees, video conferencing fees, printer/copier fees, motor pool fees, subscriptions, registration fees);
 - iv) mileage at Washington state approved rates; lodging based upon receipts and when approved in advance by ESD No. 112; and,
 - v) meals necessary during periods of ESD No. 112 approved travel (at Washington state per diem rate).
- 5) ESD No. 112 Commitments. ESD No. 112 will:
- A) Provide quality overall capital project planning and management, construction management, building commissioning, and/or constructability reviews for school districts within the NWESD No. 189 region. The specific division of responsibilities and duties between the parties will be determined as detailed in the individual contracts between Construction Services Group and each individual school district.
 - B) Provide reimbursement to the NWESD No. 189 for employee-related expenses in service to Construction Service Group work within thirty (30) days receipt of invoice provided pursuant to 4D above.
- 6) Profit Sharing. All revenues received by ESD No. 112 for construction-related services in the NWESD No. 189 region in excess of applicable labor and direct costs will be split between the parties in the ratio of seventy percent (70%) to ESD No. 112 and thirty percent (30%) to NWESD No. 189 on a project-by-project basis. ESD No. 112 and NWESD No. 189 will each add four and one half percent (4.5%), for a total of nine percent (9%), to the costs basis for Tex Ladish as a contribution to overhead costs.

- 7) Term of Agreement. This *Letter of Agreement* will continue in perpetuity. However, it may be terminated by either party at any time, without reason, upon thirty (30) days written notification thereof. The notice shall specify the date of termination and shall be conclusively deemed to have been received as of midnight of the second day following the date of its posting in the United States mail addressed as first noted herein. In the event of termination, the NWESD shall be entitled to an equitable proration of the total compensation provided herein for uncompensated services that have been performed as of the date of termination, and to the reimbursement of expenses incurred as of the date of termination, but solely to the extent such expenses are reimbursable under this Agreement.
- 8) Assignment/Waiver/Severability. No rights or responsibilities required or authorized by this *Letter of Agreement* can be assigned by any party, except as specified in this Agreement. No provision of this Agreement, or the right to receive reasonable performance or any act called for by its terms, shall be deemed waived by a breach thereof as to a particular transaction or occurrence. If any term or condition of this Agreement or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other terms, conditions, or applications of this Agreement which can be given effect without the invalid term, condition, or application; to this end the terms and conditions of this Agreement are declared severable.
- 9) Headings/Signatures/Approval. The headings in the *Letter of Agreement* are only provided for the aid to the reader. If there is any inconsistency between the heading and the context, the context will prevail. By signing this Agreement, the parties acknowledge that they have read and understand this Agreement. The parties further agree that this Agreement constitutes the entire Agreement between the parties and supersedes all communications, written or oral, heretofore related to the subject matter of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this *Letter of Agreement* as of the dates shown below.

**EDUCATIONAL SERVICE
DISTRICT NO. 112**


Mr. Tim Merlino
Superintendent

4/18/16
Date

**NORTHWEST EDUCATIONAL SERVICE
DISTRICT NO. 189**


Dr. Gerald W. Jenkins
Superintendent

4/21/16
Date