

LJSD Board of Trustees
Financial Follow-up - December 9, 2024

Updates:

- Lyons O'Dowd - Subcontractor Letter
- Lyons O'Dowd - Friedrich Dishaw Emerick Construction Letter

Clarification from Previous Meeting:

- SLP contract on the November 2024 bill list serves 107 special education students.
- State-recommended construction contracting options

Standing Information Requests:

- Attendance Report
- LGIP Distribution Yield
- Board of Education Detail
- FY25 Curriculum Expenditures
- Fund 420 - Plant Facility Levy Tracking
- Fund 421 - Board Facility Projects Detail

LYONS O'DOWD

ATTORNEYS & COUNSELORS

November 15, 2024

SUBCONTRACTORS

Badger Building Center (TAL Bldg Centers)
Via Email @ lauryl.broyles@talbuildingcenters.com

Coeur d'Alene Painting Group
Via Email @ brad@cdapaintinggroup.com

Architectural Hardware
Via Email @ monica@archhardware.com

Marlin Windows
Via Email @ barb@marlinwindows.com

DJM Install (Door installation)
Via Email @ djminstallit@gmail.com

Steel Stud Structures, Inc.
Via Email @ nick@steelstudstructures.com

Custom Demolition
Via Email @ jcustomdemo@yahoo.com

LodeStar Construction Services
Via Email @ jason@lodestarconstruction.com

Madden Industrial Craftsmen
Via Email @ jford@mici.com

Subject: BREACH BY EMERICK CONSTRUCTION
PAYMENT BOND NO. 9401424

Dear Subcontractors:

This law firm represents the Lakeland Joint School District #272 in relation to the construction projects covered under Payment Bond No. 9401424, secured by Fidelity and Deposit Company of Maryland, and executed with Emerick Construction Company as the contractor. This payment bond was obtained by the District with respect to the siding projects at Athol Elementary, Spirit Lake Elementary and Lakeland Middle School. You are receiving this letter because the District believes Emerick has failed to pay you (as a subcontractor) amounts that may be owing by Emerick pursuant to the Project.

THE DISTRICT'S NOTICE TO EMERICK OF BREACH AND DEMAND FOR PAYMENT

Pursuant to the terms of the construction contract between Emerick and the District, the District sent a demand letter on October 25, 2022, with notice of breach by Emerick and a demand that all subcontractors be paid in full (copy attached). At that time, the District understood nonpayment to the Subcontractors totaled \$659,559.63. Emerick had two weeks from the date of the letter to provide proof of payment and appropriate lien waivers. Until such proof was provided, Architect's West advised Emerick that it will withhold the final payment due on the project (as is permissible under the contract in the event of such breach).

Since the date of the October 25 correspondence, the District has received additional information suggesting that subcontractors are claiming \$726,792.33 in unpaid invoices on the Project.

THE PAYMENT BOND

In accordance with Idaho Code § 54-1926, the District required Emerick to provide a Payment Bond equal to the full amount of the contract (copy attached). The bond was issued by Fidelity and Deposit Company of Maryland (Zurich) as the Surety and guarantees all payments owed by Emerick would be made.

THE DISTRICT'S NOTICE TO ZURICH

On October 25, 2024, the District sent notice to Zurich of the breach by Emerick and the claims being made by subcontractors with respect to the Project. On November 14, 2024, the District received the attached response from Zurich.

Importantly, Zurich reiterated how bond claims are processed and advised that each subcontractor must submit a claim of non-payment in accordance with the terms of the bond and Idaho Code:

Turning to the notices of non-payment the owner has received from subcontractors on this project, because the process for a Surety to investigate a subcontractor's non-payment claim necessarily begins with a notice from the subcontractor itself stating certain pertinent information, we encourage your client to contact each subcontractor and suggest they review the provisions of Idaho's "Public Contracts Bond Act" as well as the terms of the executed Payment Bond that is included with your letter. Without providing legal advice to the obligee or potential claimants by doing so, I am including here a link to the Idaho Legislature's website for the statute that sets out the "Short Title" given to the collection of relevant statutes Section 54-1925 – Idaho State Legislature. Should subcontractors need more information, we encourage them to perform their own research and/or to contact counsel of their choice.

LIENS/CLAIMS

Finally, the District has received notice of potential liens to be allegedly recorded against the District's property involved in these projects. To be clear, under Idaho law, there is no right to lien real property owned by a public agency, it being the obligation of the District to obtain payment

bonds in relation to projects to avoid such outcomes. The existence of this payment bond relieves the District of any statutory lien rights which might otherwise exist. *See* I.C. § 45-519. The District has complied with this statutory obligation and the subcontractors must proceed with their claims directly against the bond. There should be no attempt to record a lien against the District's real property. Such attempt would be futile and could be deemed an attempt to slander the title of the District's property, particularly in light of the fact that a bond was procured. Any payment issue must be resolved pursuant to the bond.

NEXT STEPS

Please make the claims necessary against Zurich to protect your interests under the payment bond at issue. The District is prepared to issue the final payment to Emerick (endorsed for the subcontractors) upon proof of payment to date by Emerick to its subcontractors.

Sincerely,

Lyons O'Dowd, PLLC

/s/ Megan O'Dowd
Megan O'Dowd

Cc:

Client
Kevin Cole, Architect's West
Emerick Construction

Encls.

Notice of Breach Letter
Notice of Claims under Bond
Payment Bond



October 25, 2024

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
reportsclaims@zurichna.com

Payment Bond No. 9401424

Construction Contract:

Date: April 5, 2023

Amount: \$909,182.00

Location:

Athol Elementary
6333 E Menser Ave.
Athol, ID 83801

Spirit Lake Elementary
32605 N 5th Ave.
Spirit Lake, ID 83869

Lakeland Middle School
15601 ID-41
Rathdrum, ID 83858

Contractor: Emerick Construction Company

Surety: Fidelity and Deposit Company of Maryland

To Whom It May Concern:

I am writing on behalf of the Lakeland Joint School District #272, the owner of the foregoing project. Fidelity issued a payment bond with respect to the project insuring payment to all contractors and subcontractors on the project up to the insured amount of \$909,182.00. A copy of the bond is enclosed. The purpose of this letter is to provide notice of potential claims under the payment bond.

On October 22, 2024, a notice of default was sent to Emerick Construction (with a copy to the Architect Kevin Cole of Architect's West) due to Emerick's failure to make payments to various subcontractors as required by the contract documents. A copy of the demand letter is enclosed for your reference. As noted therein, the current outstanding balance owing to subcontractors totals



LAKELAND JOINT SCHOOL DISTRICT

A Community Committed to Academic Excellence...Dedicated to Student Success

Lakeland Joint School District #272
15506 N. Washington Street
Rathdrum, ID 83858
H: (208)687-0431 FX: (208)-687-1884

\$659,559.63. Documentation substantiating these amounts can be provided upon request. The Architect has agreed with the District's demand for payment to the subcontractors and has notified Emerick of the same. As of the date of this letter, the Owner has received no assurance of payments having been made to the subcontractors.

The Lakeland Joint School District is seeking to ensure that all subcontractors are promptly compensated for their work to avoid further delays or legal complications on the project. In light of this, we hereby put your company on notice of our intent to file a claim under the payment bond should this matter remain unresolved.

Please acknowledge receipt of this notice and advise us on the next steps to initiate the claims process under the bond, should it become necessary.

We appreciate your prompt attention to this matter and look forward to your guidance on how to proceed.

Thank you for your time and cooperation.

Best regards,

Jessica Grantham
Chief Financial Officer
(208) 687-0431 ext. 1109
Jessica.grantham@lakeland272.org

Encl.

Payment Bond No. 9401424
10/22/24 Demand Letter to Emerick Construction

Payment Bond

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

CONTRACTOR (Name and Address):
Emerick Construction Company
7855 SW Mohawk Street
Tualatin, Oregon 97062

SURETY:
Fidelity and Deposit Company of Maryland
1299 Zurich Way, 5th Floor
Schaumburg, Illinois 60196-1056

OWNER (Name and Address):
Lakeland Joint School District #272
15506 N. Washington Street
Rathdrum, ID 83858

CONSTRUCTION CONTRACT

Date: April 5th, 2023
Amount: Nine Hundred Nine Thousand One Hundred Eighty-Two and 00/100 Dollars
(\$909,182.00)

Description (Name and Location): Exterior improvements at three (3) schools:
Spirit Lake Elementary (SLE) - 32605 N. 5th St., Spirit Lake, ID 83869
Athol Elementary (ATHOL) - 6333 E Menser Ave., Athol, ID 83801
Lakeland Middle School (LMS) - 15601 ID-41, Rathdrum, ID 83858

BOND:
Date: April 12th, 2023 (Not earlier than Construction Contract Date)
Amount: \$ Nine Hundred Nine Thousand One Hundred Eighty-Two and 00/100 Dollars
(\$909,182.00)

Modifications to this Bond: None See Section 18

CONTRACTOR AS PRINCIPAL
Company: Emerick Construction Company (Corporate Seal)

SURETY
Company: Fidelity and Deposit Company of Maryland (Corporate Seal)

Signature: [Signature]
Name: Corey M. Johnson
Title: President

Signature: [Signature]
Name: Ian Campbell
Title: Attorney-in-Fact

(Any additional signatures appear on the last page of this Payment Bond)

(FOR INFORMATION ONLY – Name, address and telephone)

AGENT OR BROKER:
Woodruff Sawyer
5005 Meadows Road, #415
Lake Oswego, Oregon 97035

OWNER'S REPRESENTATIVE:
(Architect, Engineer or other party):

performance of the Construction Contract are dedicated to satisfy obligations of the Contractor and Surety under this Bond, subject to the Owner's priority to use the funds for the completion of the work.

10. The Surety shall not be liable to the Owner, Claimants or others for obligations of the Contractor that are unrelated to the Construction Contract. The Owner shall not be liable for the payment of any costs, or expenses of any Claimant under this Bond, and shall have under this Bond no obligation to make payments to, or give notice on behalf of, Claimants or otherwise have any obligations to Claimants under this Bond.
11. The Surety hereby waives notice of any change, including changes of time, to the Construction Contract or to related subcontracts, purchase orders and other obligations.
12. No suit or action shall be commenced by a Claimant under this Bond other than in a court of competent jurisdiction in the state in which the project that is the subject of the Construction Contract is located or after the expiration of one year from the date (1) on which the Claimant sent a Claim to the Surety pursuant to Section 5.1 or 5.2, or (2) on which the last labor or service was performed by anyone or the last materials or equipment were furnished by anyone under the Construction Contract, whichever of (1) or (2) first occurs. If the provisions of this Paragraph are void or prohibited by law, the minimum period of limitation available to sureties as a defense in the jurisdiction of the suit shall be applicable.
13. Notice and Claims to the Surety, the Owner or the Contractor shall be mailed or delivered to the address shown on the page on which their signature appears. Actual receipt of notice or Claims, however accomplished, shall be sufficient compliance as of the date received.
14. When this Bond has been furnished to comply with a statutory or other legal requirement in the location where the construction was to be performed, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.
15. Upon request by any person or entity appearing to be a potential beneficiary of this Bond, the Contractor and Owner shall promptly furnish a copy of this Bond or shall permit a copy to be made.
16. **DEFINITIONS**

16.1 Claim. A written statement by the Claimant including at a minimum:

- .1 the name of the Claimant;
- .2 the name of the person for whom the labor was done, or materials or equipment furnished;
- .3 a copy of the agreement or purchase order pursuant to which labor, materials or equipment was furnished for use in the performance of the Construction Contract;
- .4 a brief description of the labor, materials or equipment furnished;
- .5 the date on which the Claimant last performed labor or furnished or last furnished materials or equipment for use in the performance of the Construction Contract;
- .6 the total amount earned by the Claimant for labor, materials or equipment furnished as of the date of the Claim;
- .7 the total amount of previous payments received by the Claimant; and
- .8 the total amount due and unpaid to the Claimant for labor, materials or equipment furnished as of the date of the claim.

16.2 Claimant. An individual or entity having a direct contract with the Contractor or with a subcontractor of the Contractor to furnish labor, materials or equipment for use in the performance of the Construction Contract. The term Claimant also includes any individual or entity that has rightfully asserted a claim under an applicable mechanic's lien or similar statute against the real property upon which the Project is located. The intent of this Bond shall be to include without limitation in the terms "labor, materials or equipment" that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental equipment used in the Construction Contract, architectural and engineering services required for performance of the work of the Contractor and the Contractor's subcontractors, and all other items for a which a mechanic's lien may be asserted in the jurisdiction where the labor, materials or equipment were furnished.

- 16.3 **Construction Contract.** The agreement between the Owner and Contractor identified on the cover page, including all Contract Documents and all changes made to the Agreement and the Contract Documents.
- 16.4 **Owner Default.** Failure of the Owner, which has not been remedied or waived, to pay the Contractor as onstruction Contract or to perform and complete or comply with the other material terms of the Construction Contract.
- 16.5 **Contract Documents.** All the documents that comprise the agreement between the Owner and Contractor.

17. If this Bond is issued for an agreement between a Contractor and subcontractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

18. Modifications to this Bond are as follows:

(Space is provided below for additional signatures of added parties, other than those appearing on the cover page.)

CONTRACTOR AS PRINCIPAL

Company: _____ *(Corporate Seal)*

SURETY

Company: _____ *(Corporate Seal)*

Signature: _____
 Name: _____
 Title: _____

Signature: _____
 Name: _____
 Title: _____

**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Illinois, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Illinois (herein collectively called the "Companies"), by **Robert D. Murray, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint **Ian CAMPBELL and Gary MCCANN, both of San Francisco, California** its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said **ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND**, this 3rd day of March, A.D. 2021.



ATTEST:
**ZURICH AMERICAN INSURANCE COMPANY
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY
FIDELITY AND DEPOSIT COMPANY OF MARYLAND**

By: *Robert D. Murray*
Vice President

By: *Dawn E. Brown*
Secretary

**State of Maryland
County of Baltimore**

On this 3rd day of March A.D. 2021, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Robert D. Murray, Vice President and Dawn E. Brown, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, deposed and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Constance A. Dunn, Notary Public
My Commission Expires: July 9, 2023

EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

CERTIFICATE

I, the undersigned, Secretary of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereto subscribed my name and affixed the corporate seals of the said Companies, this 12th day of April, 2023.



Brian M. Hodges

By: Brian M. Hodges
Vice President

TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT A COMPLETE DESCRIPTION OF THE CLAIM INCLUDING THE PRINCIPAL ON THE BOND, THE BOND NUMBER, AND YOUR CONTACT INFORMATION TO:

Zurich Surety Claims
1299 Zurich Way
Schaumburg, IL 60196-1056
www.reportsfclaims@zurichna.com
800-626-4577



Emerick Construction Co.
Attn: Corey M. Lohman
7855 SW Mohawk Street
Tualatin, OR 97062
coreyl@emerick.com

Architect's West
Attn: Kevin Cole
210 Lakeside Ave
Coeur d'Alene, ID 83814
kevinc@architectswest.com

Projects:
Athol Elementary
6333 E Menser Ave.
Athol, ID 83801

Spirit Lake Elementary
32605 N 5th Ave.
Spirit Lake, ID 83869

Notice of Claim

Dear Mr. Cole:

As you know, the Lakeland Joint School District #272 (hereinafter "Owner") is the Owner of the Lakeland Middle School, Athol Elementary and Spirit Lake Elementary siding projects wherein Emerick Construction (hereinafter "CM/GC" or "Contractor") was selected as the CM/GC. The purpose of this letter is to put the Contractor and Architect on notice that Contractor is in breach of its duties and obligations as set forth in the governing documents pertaining to this project.

As of the date of this letter, Owner has received notice of non-payment from the below named subcontractors for the total amount \$659,559.63. Documentation substantiating these amounts has been provided to Architect and can be made available to Contractor upon request. Of the unpaid amounts being reported to Owner, all invoices provided by subcontractors relate to payments already made by Owner to Contractor. As Contractor is well aware, each payment request includes a certification by the Contractor that all subcontractors have been paid on amounts being requested. Contractor is in breach of its representations and warranties to Owner.

Owner hereby demands that Contractor provide written evidence (in the form of cleared checks and lien waivers) that all Subcontractors have been paid in full for work completed on this Project up through the date of this letter. It must be reiterated that payment to Subcontractors is the sole and exclusive responsibility of Contractor and Owner has no obligation of direct payment to Subcontractors. See AIA201 §9.6.4.



LAKELAND JOINT SCHOOL DISTRICT

A Community Committed to Academic Excellence...Dedicated to Student Success

Lakeland Joint School District #272

35506 N. Washington Street

Yakima, WA 98919

Phone: (509) 425-3000

Architect is hereby directed to withhold any further payment until the foregoing certifications (including lien waivers) have been provided. See AIA201 §9.5. To the extent any further payments are requested and approved, Contractor is advised that Owner will be exercising its rights to issue joint payments. See AIA201 §9.5.4. Under no circumstances will final payment be issued without demonstration of payment to all Subcontractors and without appropriate lien waivers. See AIA201 §9.10.2.

Contractor is further notified that demand has been made on Owner to provide copies of the payment and performance bonds issued by Contractor for this Project. Owner is complying with all requests to furnish copies of the bonds as requested.

Owner demands proof of payment in full to all subcontractors within 7 calendar days of receipt of this letter. Failure to do so will result in Owner reviewing and exercising all its rights pursuant to the Contract documents.

Sincerely,

Jessica Grantham
Chief Financial Officer


Encls.

Subcontractor demand amounts



Lakeland School District Siding		
10/18/2024		
Subcontractor	Claimed Amount	Documentation
Badger Building Center (TAL Bldg Centers)	\$ 129,800.60	9/1/24 statement
Coeur d'Alene Painting Group	\$ 27,882.50	Aug 30 Pay app painter sent to Emerick
Coeur d'Alene Painting Group	\$ 32,582.50	Aug 30 Pay app painter sent to Emerick
Architectural Hardware	\$ 94,444.00	8/20/24 invoice
Architectural Hardware	\$ 87,200.00	8/20/24 invoice
Marlin Windows	\$ 85,000.00	per phone call, Pending receipt of invoice of exact
DJM Install (Door installation)	\$23,100	Aug 31 Pay apps sent to Emerick
Steel Stud Structures, Inc.	\$ 19,887.50	Aug 31 Pay apps sent to Emerick
Custom Demolition	\$ 17,937.50	June invoices + LMS Retainage
LodeStar Construction Services	\$ 68,526.00	Aug 19 Pay apps sent to Emerick
Madden Industrial Craftsmen	\$ 73,199.03	10/11/24 Invoice

Total \$ 659,559.63

From: Becky Farina becky.farina@zurichna.com 
Subject: Owner's Notice of Non-Payment on behalf of Subcontractors under Bond No. 9401424
Date: November 15, 2024 at 12:45 PM
To: megan@lyonsodowd.com
Cc: Corey M. Lohman coreyl@emerick.com, Dan Duyck dduyck@duycklaw.com



Obligee: Lakeland Joint School Dist. #272
Surety: Fidelity and Deposit Company of Maryland
Bond No.: PRF 9401424
Project: Exterior improvement of three (3) Schools
Spirit Lake Elementary (SLE) – 32604 N. 5th St., Spirit Lake, ID 83869
Athol Elementary (ATHOL) – 6333 E Menser Ave., Athol, ID 83801
Lakeland Middle Schools (LMS) – 15601 ID-41, Rathdrum, ID 83858

Good afternoon, Megan –

Terry Schoenhaar forwarded me your voicemail following up on the attached Demand Letter that you emailed to Fidelity and Deposit Company of Maryland (“Zurich”) on October 25, 2024 on behalf of the Lakeland Joint School Dist. #272. I am the person to contact at Zurich for matters relating to the Payment and Performance Bonds that Zurich executed for Emerick Construction Company, and I apologize for my delay in reaching out to you. Please contact me at this email or on my direct dial below with any future inquiries.

Turning to the substance of your letter, Zurich understands that our bond obligee maintains it has paid contract funds of at least \$659,559.63 to Emerick that Emerick then failed to pay through to its subcontractors. We further understand that the obligee has requested written evidence from Emerick (in the form of cleared checks and lien waivers) that all Subcontractors have been paid in full for work completed on the project and that Emerick has failed to respond to this request. Finally, we understand that the obligee has directed the Architect of Record to withhold any further payments to Emerick until the requested certifications have been provided and advised that “under no circumstances will final payment be issued without demonstration of payment to all Subcontractors and without appropriate lien waivers.”

To streamline matters now that we’ve connected, I have also added Corey Lohman and Dan Duyck to the cc: line as our primary contact at Emerick and Emerick’s outside counsel, respectively. Although your letter indicates the enclosed Notice of Claim sent under signature of Jessica Grantham was provided to Emerick before your October 25 correspondence to the Surety, this is regrettably the first Zurich is learning of these circumstances. We are particularly perplexed by this as we have been in near constant communication with Emerick regarding other open non-payment matters and have been continually assured that Emerick was willing and able to meet its outstanding payment obligations.

By copy to Corey and Dan on this email, Zurich asks that Emerick provide its written response regarding the assertions made regarding this bonded project at its earliest convenience, and in all events no later than Friday, October 22, 2024.

Turning to the notices of non-payment the owner has received from subcontractors on this project, because the process for a Surety to investigate a subcontractor’s non-payment claim necessarily begins with a notice from the subcontractor itself stating certain pertinent information, we encourage your client to contact each subcontractor and suggest they review the provisions of Idaho’s “Public Contracts Bond Act” as well as the terms of the executed Payment Bond that is included with your letter. Without providing legal advice to the obligee or potential claimants by doing so, I am including here a link to the Idaho Legislature’s website for the statute that sets out the “Short Title” given to the collection of relevant statutes [Section 54-1925 – Idaho State](#)

Legislature. Should subcontractors need more information, we encourage them to perform their own research and/or to contact counsel of their choice.

Finally, I have attached here an unexecuted copy of the Performance Bond, which is the contract that the obligee has rights to make a direct claim under if it so chooses. Please confer with your client and advise whether the obligee intends to proceed with a performance bond claim or is simply putting the Surety on notice that payment bond claimants may be reaching out soon.


Please understand that, as is customary, this correspondence is sent subject to a full reservation of the Surety's rights and defenses.

Best regards,
Becky Farina

Becky Farina

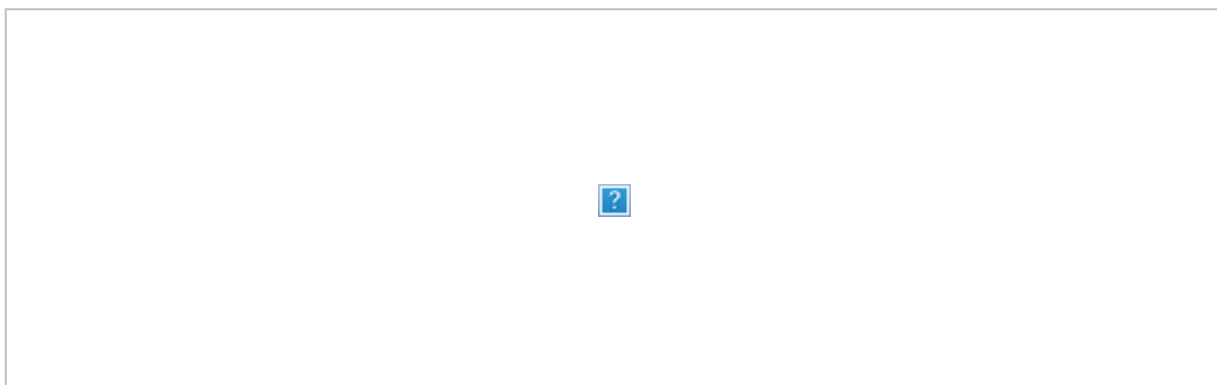
AVP & Senior Claims Professional
Claims | Surety & Financial Lines
U.S. Mail: P.O. Box 968036,
Schaumburg, IL 60196

 Location: Washington, D.C.

 Claims Address: 1299 Zurich Way,
Schaumburg, IL 60196

 +14105598513

 becky.farina@zurichna.com



INTERNAL USE ONLY

From: Megan O'Dowd <megan@lyonsodowd.com>

Sent: Friday, October 25, 2024 3:00 PM

To: ortef022 [AMEB] <reportofclaims@zurichna.com>

TO: 0131025 [AMLEN] <reports@ziffel.com>
Cc: Kevin Cole <kevinc@architectswest.com>; Jessica Grantham <jessica.grantham@lakeland272.org>
Subject: [EXTERNAL] Notice of Claim-Payment Bond No. 9401424

USE CAUTION: This message originates from a sender you have not previously corresponded with. If in doubt, report.

To Whom It May Concern:

This law firm represents the Lakeland Joint School District #272. Enclosed please find a notice of claim under Payment Bond No. 9401424, in the amount of \$909,182.00, with Contractor Emerick Construction Company, Owner Lakeland Joint School District #272 and Surety Fidelity and Deposit Company of Maryland.

Please confirm receipt of the same.

Sincerely,

Megan O'Dowd

office (208) 714-0487 x 2

direct (208) 596-9839

fax (888)-966-0036

Physical Address:

703 E. Lakeside Ave.

Coeur d'Alene, Idaho 83814

Mailing Address:

P.O. Box 131

Coeur d'Alene, ID 83816

megan@lyonsodowd.com

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Fidelity and Deposit Company of Maryland

FOR YOUR PROTECTION STATE LAW REQUIRES THE FOLLOWING STATEMENT TO APPEAR ON THIS FORM ANY PERSON

FOR YOUR PROTECTION STATE LAW REQUIRES THE FOLLOWING STATEMENT TO APPEAR ON THIS FORM. ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF LOSS OR BENEFIT WITH THE INTENT TO DEFRAUD OR DECEIVE ANY INSURER IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CRIMINAL AND CIVIL PENALTIES AND DENIAL OF INSURANCE BENEFITS.

***** PLEASE NOTE *****

This message, along with any attachments, is for the designated recipient(s) only and may contain privileged, proprietary, or otherwise confidential information. If this message has reached you in error, kindly destroy it without review and notify the sender immediately. Any other use of such misdirected e-mail by you is prohibited. Where allowed by local law, electronic communications with Zurich and its affiliates, including e-mail and instant messaging (including content), may be scanned for the purposes of information security and

assessment of internal compliance with company policy. 2024.10.25.Bon Emerick Perf
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November 27, 2024

Via Regular Mail and Email

Megan O’Dowd
 P.O. Box 131
 Coeur d’Alene, ID 83816
 Email: megan@lyonsodowd.com

RE:	Principal:	Emerick Construction Company
	Bond No.:	PRF 9401424
	Obligee:	Lakeland Joint School District #272 (“Owner”)
	Project:	Exterior Improvement of Spirit Lake ES, Athol ES, & Lakeland MS

Dear Ms. O’Dowd:

We represent Fidelity & Deposit Company of Maryland and/or Zurich American Insurance Company (together “Zurich”), the surety that issued payment and performance bonds for Emerick Construction Company (“Emerick”) in connection with the above referenced project. Recent events have prompted this letter, which serves as a formal request that all funds payable on the above-referenced bonded contract, including the final disbursement, be withheld from Emerick and be directed to Zurich, as assignee and attorney-in-fact for Emerick. Zurich will ensure protection and proper disbursement of the project funds to any subcontractors and/or vendors that are owed money on the Project.

Attached, please find a copy of the General Indemnity Agreement (“Indemnity Agreement”), which grants Zurich a power of attorney, designating Zurich as attorney-in-fact with the irrevocable right, power, and authority to exercise all of the rights and powers of our principal, Emerick, and all indemnitors (which includes Emerick), as identified in the Indemnity Agreement. The Indemnity Agreement also specifically provides that all monies due and to become due under any contracts covered by bonds issued by Zurich are trust funds, for the benefit of Zurich and for payment of all obligations for which Zurich would be liable under any bonds issued. Additionally, under the Indemnity Agreement, Emerick assigned all accounts receivable and contract proceeds to Zurich, as assignee. Finally, and without limitation, well-established principles of equitable subrogation grant Zurich a super-priority equitable lien on all contract proceeds.

Please note that we are making this request in two capacities. We are making the request as surety, seeking to ensure proper disbursement of the funds in association with the bonded project. We are also making this request in the name of, and on behalf of Emerick, as attorney-in-fact and its assignee.

If you have any questions with respect to the above, please do not hesitate to contact me. Please acknowledge receipt of this correspondence and confirm the Owner's willingness to comply with Zurich's instructions. In anticipation of the Owner's compliance, attached are wire/ACH instructions for remittance of contract funds to Zurich. Manual checks can be sent to The Vertex Companies, LLC, c/o Charles Lewing, 104 ½ West Ninth Avenue, Suite #332, Winfield, KS 67156.

Nothing herein shall be deemed to be an estoppel, waiver, or modification of any of Zurich's rights, and Zurich hereby reserves all of its rights at law and in equity.

Regards,

/s/ Paul K. Friedrich

Paul K. Friedrich

Attorney at Law

Admitted in Washington and Oregon

Email: Paulf@fdlawpllc.com

Tel: (206) 360 – 7655



General Indemnity Agreement

THIS GENERAL INDEMNITY AGREEMENT ("Agreement"), dated this 30th day of March, 2018 by:

Emerick Construction, 7855 SW Mohawk Street, Tualatin, OR, 97062, USA
Corey M. Lohman, 1409 S. Maple Street, Canby, OR, 97013, USA
Stacy J. Lohman, 1409 S. Maple Street, Canby, OR, 97013, USA
Lawrence Sitz, 6443 SE Furnberg, Milwaukie, OR, 97222, USA
Barbara Sitz, 6443 SE Furnberg, Milwaukie, OR, 97222, USA
All new Indemnitors added to this Agreement by rider

(each an "Indemnitor" and all of the above individually and collectively "Indemnitors") in favor of ZURICH AMERICAN INSURANCE COMPANY and ZURICH INSURANCE GROUP LTD and all their respective subsidiaries, affiliates and associated companies in any jurisdiction, including but not limited to FIDELITY AND DEPOSIT COMPANY OF MARYLAND, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, ZURICH INSURANCE COMPANY LTD, and AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY, and their respective successors and assigns (individually and collectively "Surety") with respect to any bond, undertaking, and/or obligation of suretyship or guarantee executed, provided or procured (herein "issued") by Surety (whether as surety, co-surety, reinsurer or otherwise) in the name of or on behalf of any Indemnitor, any Related Entity, any other entity on request in accordance with this Agreement, or any combination thereof, whether issued prior to or after the execution of this Agreement, and all renewals, extensions, modifications and substitutions of bonds (collectively "Bonds" and each individually a "Bond"). This Agreement shall be liberally construed so as to fully protect, exonerate, indemnify and hold Surety harmless from all liability and Loss.

As an inducement to Surety to issue or refrain from cancelling Bonds, Indemnitors represent and agree for themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as follows:

- PREMIUMS:** Indemnitors shall promptly pay all premiums and charges of Surety for Bonds, at the current rate charged by Surety, until Surety has been provided satisfactory evidence, in its sole discretion, that it has been fully released and/or discharged from liability under such Bonds.
- INDEMNITY:** Indemnitors shall exonerate, indemnify, and hold Surety harmless from any and all liability and Loss, sustained or incurred, arising from or related to: (a) any Bond, (b) any Claim, (c) any Indemnitor failing to timely and completely perform or comply with this Agreement, (d) Surety enforcing this Agreement or (e) any act of Surety to protect or procure any of Surety's rights, protect or preserve any of Surety's interests, or to avoid, or lessen Surety's liability or alleged liability. The liability of Indemnitors to Surety under this Agreement includes all Claims made on Surety, all payments made, Loss incurred, and all actions taken by Surety under the Good Faith belief that Surety is, would be or was liable for the amounts paid or the actions taken, or that it was necessary or expedient to make such payments or take such actions, whether or not such liability, necessity or expediency existed. Indemnitors shall promptly, upon demand, make payment to Surety as soon as liability or Loss exists, whether or not Surety has made any payment. An itemized statement of Loss, sworn to by any officer of Surety, or the voucher or other evidence of any payment, shall be *prima facie* evidence of the fact, amount and extent of the liability of Indemnitors for such Loss. Indemnitors shall promptly, upon demand, procure the full and complete discharge of Surety from all Bonds and all liability in connection with such Bonds. If Indemnitors are unable to obtain discharge of any or all such Bonds within the time demanded, Indemnitors shall promptly deposit with Surety an amount of money that Surety determines is sufficient to collateralize or pay any outstanding bonded obligations.
- SURETY'S RIGHT TO PERFORM, SETTLE AND/OR MODIFY:** Surety shall have the absolute and unconditional right and is authorized but not required to: (a) adjust, pay, perform, decline to perform, compromise, settle, deny, litigate or otherwise resolve any Claim and/or any claim, counterclaim, defense or setoff held by or made against any Indemnitor, Principal or other entity and/or to take any action to protect any rights of Surety or to preserve or protect Surety's interests, or to avoid or lessen any alleged liability (hereinafter "Settlement"); and (b) modify, consent to or decline to consent to modification of any Bond and/or Bonded Contract, and/or to take, consent to or decline to consent to any assignment (hereinafter "Modification"). Any Settlement and/or Modification by Surety shall be final, binding and conclusive upon Indemnitors. Indemnitors shall remain bound under this Agreement for all Loss even though any such Settlement or Modification by Surety does or might substantially increase the liability of Indemnitors.

4. **PLACE IN FUNDS:** Indemnitors agree to promptly deposit with Surety, on demand, an amount of money that Surety determines is sufficient to fund any liability or Loss. Such funds may be used by Surety to pay Loss or may be held by Surety as collateral against potential future Loss. Any remaining funds held by Surety after payment of all sums due to Surety under this Agreement shall be returned upon the complete release and/or discharge of Surety's liability under all Bonds.

5. **PLEDGE AND ASSIGNMENT OF COLLATERAL:** Indemnitors pledge, assign, transfer and set over to Surety the Collateral, as collateral to secure the obligations in this Agreement, whether incurred before or after the execution of this Agreement, including a license to use the Collateral, without cost, to perform or discharge Surety's obligations under any Bond or Bonded Contract. This pledge and assignment becomes effective on the date of this Agreement, or the earliest date allowable by law.

6. **TRUST FUNDS:** All sums due, to become due, or received by any Indemnitor or Principal for or on account of any Bonded Contract are trust funds in which Surety has an interest as a beneficiary of the trust whether in the possession of such Indemnitor or Principal or another. Such trust funds shall be held in trust for the benefit and payment of all obligations or Loss for which Surety may be liable under any Bond. Surety has the right, but not the obligation, to require that trust funds be placed in a dedicated trust fund account. This Agreement and declaration constitute notice of such trust.

7. **UNIFORM COMMERCIAL CODE:** This Agreement constitutes a security agreement to Surety in accordance with the Uniform Commercial Code or similar statute in any jurisdiction. Surety may file a photocopy or other reproduction of this Agreement as a financing statement or otherwise take any action or file any statement or documents to perfect the rights and interests granted in the Collateral or trust funds at any time.

8. **TAKEOVER:** If an Event of Default occurs, Surety shall have the right, in its sole discretion, and is authorized to take possession of any part or all of the work, materials and equipment under any Bonded Contract and any other materials or equipment which Surety deems necessary or proper to perform such Bonded Contract, and to perform or arrange for the performance of such Bonded Contract.

9. **ADVANCES AND FINANCING:** Surety is authorized to guarantee loans, to advance or lend money to any entity which Surety may see fit for the purpose of facilitating performance of obligations under any Bond or Bonded Contract. Indemnitors shall indemnify Surety for all such loans or advances and all Loss incurred by Surety relating to such loans and advances. Any failure to use the loans or advances, in whole or in part, for performance of obligations under such Bonds or Bonded Contracts shall not be a defense to Indemnitors' duty to indemnify Surety for such loans or advances. Surety has no obligation to provide financing or other support to any Principal or Indemnitor.

10. **BONDS FOR OTHER ENTITIES:** Indemnitors' obligations under this Agreement shall also apply to any Bond Surety issues for or on behalf of any Related Entity. "Related Entity" means: (a) any present or future, directly or indirectly owned subsidiary or affiliate of any Indemnitor; (b) any legal entity in which any Indemnitor has or acquires an ownership interest; and (c) any joint ventures, consortiums, teaming arrangements or any other business collaboration or economic enterprise ("Joint Venture") in which any Indemnitor is or was a member at the time the Bond was issued. Indemnitors' obligations under this Agreement shall also apply to any Bond Surety issues for or on behalf of any entity other than a Related Entity, on the written request of any Indemnitor.

11. **FINANCIAL STATEMENTS, BOOKS AND RECORDS:** Indemnitors shall promptly provide Surety with any and all information and documentation concerning the business or financial situation of any Indemnitor or any subsidiary, affiliate or Related Entity of any Indemnitor, as requested by Surety. Indemnitors shall furnish on demand, and Surety shall have the right to access, examine and copy the books, records and accounts of Indemnitors and of any entity under the control of any Indemnitor, at no cost to Surety. Indemnitors authorize any entity in which funds of any Indemnitor may be deposited to furnish to Surety a statement of the amount of such deposits as of the date requested. Indemnitors authorize any and all lenders, obligees, subcontractors, suppliers, accountants, other insurers, and other persons or entities to furnish to Surety any information requested by Surety, including but not limited to the performance of obligations under any Bond or Bonded Contract and payments related to any such Bond or Bonded Contract.

12. **ISSUANCE OF BONDS:** Surety does not guarantee the issuance or compliance of any Bond or any obligee's acceptance of any Bond issued. Surety has an absolute right to decline to issue or continue or renew any Bond and to cancel any Bond. If Surety issues a bid or proposal Bond or a written commitment to issue any Bond (each a "Bond Commitment"), Surety has an absolute right to decline to issue any Bond that may be required in connection with any award made under the proposal for which the Bond Commitment was given.

13. **WAIVER OF NOTICE:** Indemnitors waive notice of the issuance or cancellation of any Bond, any Settlement or Modification, and any act, fact or information concerning or affecting the rights and liabilities of Surety or the rights or liabilities of Indemnitors under the Bonds or this Agreement, notwithstanding any notice of any kind to which Principal and/or Indemnitors might otherwise have been or be entitled, and notwithstanding any defenses they might have been or be entitled to assert.

14. **OTHER SURETIES AS BENEFICIARIES:** If Surety procures the execution of any Bond by other sureties, or executes any Bond with co-sureties, or reinsures any portion of any Bond with reinsuring sureties, then all the terms and conditions of this Agreement shall inure to the benefit of such other sureties, co-sureties and/or reinsuring sureties, including the right to bring an action for enforcement of this Agreement. Surety may furnish copies of any and all underwriting and Claim documentation to reinsurers and co-sureties, including statements, agreements, financial statements, and any information which Surety now has or may obtain in the future concerning (a) Principals and/or Indemnitors, (b) Related Entities of Principals and/or Indemnitors, and (c) other entities for which any Bond is requested pursuant to paragraph 10.

15. **SURETY'S ADDITIONAL RIGHTS:** This Agreement is in addition to and not in lieu of all other agreements of indemnity and any and all rights, powers, and remedies that Surety may have or acquire against Indemnitors or any other person or entity, whether by agreement, law or otherwise. Indemnitors acknowledge and agree that other indemnity, collateral, property and/or security may be required by Surety with respect to Bonds issued under this Agreement. Indemnitors shall remain bound under the terms of this Agreement even though Surety may from time to time (before or after the date of this Agreement): (a) accept, modify or release other agreements of indemnity with respect to any Bond; (b) accept, modify the indemnity of, or release any Indemnitor or any other person or entity; or (c) accept, release or subordinate any rights to collateral, real property, personal property or security. Indemnitors' obligations to Surety shall not be waived or reduced by any claim, setoff, defense, or other right or cause of action which Indemnitors and/or Surety may hold against any person or entity or which may be asserted by any Principal, Indemnitor or any other person or entity arising from or related to any Bonded Contract, any Bond, this Agreement, other agreements, by law or otherwise. Surety is subrogated to all rights, Claims, funds and receivables related to any Bonded Contract. Surety has the right to offset Loss on any Bonded Contract against proceeds, funds, real property or personal property under any other Bonded Contract or otherwise available to Surety under this Agreement. Surety's forbearance or failure to act to enforce any right shall not waive or diminish any of its rights, which rights may be enforced at any time in Surety's sole discretion.

16. **SURETY'S RIGHT TO SPECIFIC PERFORMANCE:** Indemnitors acknowledge that the failure of Indemnitors, collectively or individually, to perform or comply with any provision of this Agreement shall cause irreparable harm to Surety for which Surety has no adequate remedy at law. Indemnitors agree that Surety shall be entitled to injunctive relief and/or specific performance, and Indemnitors waive any claims or defenses to the contrary.

17. **POWER OF ATTORNEY:** Indemnitors irrevocably nominate, constitute, appoint and designate Surety, and any persons designated by Surety, as their attorney-in-fact, with the right, but not the obligation, to exercise all of the rights of Indemnitors pledged, assigned, transferred and set over to Surety in this Agreement, including, in the name of Indemnitors to make, execute, and deliver any and all assignments or documents deemed necessary and proper by Surety in order to exercise its rights, powers and remedies under this Agreement. Indemnitors ratify and confirm all acts taken by Surety and its designees as such attorney-in-fact and agree to protect and hold harmless Surety and its designees for all such acts.

18. **JOINT AND SEVERAL LIABILITY:** Indemnitors are jointly and severally liable to Surety under this Agreement. Surety may enforce this Agreement against any Indemnitor without joining any other Indemnitor, person or entity.

19. **CONTRIBUTION:** Indemnitors waive and subordinate all rights of indemnity, subrogation and contribution against each other and/or any Principal until all obligations to Surety under this Agreement, at law or in equity, have been satisfied in full.

20. **NOTICE TO SURETY:** Indemnitors shall notify Surety as soon as any Indemnitor becomes aware of the happening of any Event of Default. This notice, and any other notice to Surety, shall be addressed as follows: **Zurich Surety, Red Brook Corporate Center, 600 Red Brook Blvd., 4th Floor, Owings Mills, Maryland 21117, Attention: Vice President, Contract Surety.**

21. **LAWSUITS AND JURISDICTION:** Separate lawsuits may be brought under this Agreement as causes of action accrue, and the bringing of any lawsuit or the recovery of any judgment on any cause of action shall not prejudice or bar the bringing of other lawsuits, on the same or other causes of action, whether arising before or after any other lawsuit or cause of action. In any legal proceeding brought by or against Surety that in any way relates to this Agreement, each Indemnitor irrevocably and unconditionally submits to the jurisdiction, at Surety's sole option, of the Federal, state and local courts in which (a) any Indemnitor resides or has property, (b) any bonded obligation arises or is performed, in whole or in part, or (c) any action may be brought against Surety. Indemnitors submit to the jurisdiction of such courts and waive and agree not to assert that they are not subject to the jurisdiction of any such court or that the jurisdiction and/or venue is in an inconvenient forum or otherwise improper.

22. **GOVERNING LAW FOR BONDED CONTRACTS OUTSIDE THE UNITED STATES:** Indemnitors agree that as to any legal action or proceeding related to any Bond issued in connection with any Bonded Contract to be performed outside the United States and its territories, this Agreement shall be governed by and interpreted under the laws of the State of New York, without regard to principles of conflicts of laws.

23. **EXECUTION AND CHANGES:** This Agreement may be executed in counterparts, all of which taken together shall constitute the Agreement. This Agreement shall be effective and immediately binding as to each Indemnitor when that Indemnitor executes this Agreement, regardless of whether any other party has executed the Agreement or fails to execute this Agreement. This Agreement shall only be changed or modified in writing.

24. **SEVERABILITY:** If any provision of this Agreement is found to be void or unenforceable as to an Indemnitor, the remainder of this Agreement shall nevertheless remain enforceable as to that Indemnitor; and the entire Agreement shall remain enforceable as to all other Indemnitors.

25. **TERMINATION:** Indemnitors' obligations and Surety's rights and remedies under this Agreement are continuing. Indemnitors acknowledge that their obligations under this Agreement remain for Bonds executed for entities that may be sold, dissolved, or otherwise disposed of in the future. This Agreement remains in effect until terminated and released by Surety. Any Indemnitor may terminate their participation in this Agreement with respect to future Bonds by sending written notice of termination to Surety at the address in Paragraph 20. Such termination shall be effective twenty (20) days from Surety's receipt of the notice ("Effective Date") and shall be effective only as to the Indemnitor providing such written notice. The notice of termination shall not terminate, modify, bar or discharge such notifying Indemnitor's obligations to Surety under this Agreement for: (a) Bonds issued prior to the Effective Date; (b) Bonds issued after the Effective Date where such Bonds are issued with respect to a Bond Commitment issued prior to the Effective Date; and (c) any Collateral or interest provided under this Agreement. The execution of any subsequent agreements of indemnity in favor of Surety by any Indemnitor shall not be construed as a novation, and this Agreement may only be terminated as provided herein.

26. **JURY WAIVER:** Indemnitors hereby knowingly and voluntarily waive and covenant that they will not assert any right to trial by jury in respect to any legal proceeding arising out of this Agreement.

27. **REPRESENTATIONS AND WARRANTIES:** Indemnitors each represent and warrant the following: (a) Each Indemnitor has a substantial, material, and/or beneficial interest in one or more Indemnitors or Principals obtaining Bonds or in Surety refraining from canceling any such Bond; (b) Each Indemnitor has the full power and authority to execute and deliver this Agreement and to perform all obligations in this Agreement; (c) All information provided to Surety by each Indemnitor prior to and after the execution of this Agreement is true, accurate and complete as of the time provided; and (d) Each right, power and remedy given to Surety, under any provision of this Agreement or otherwise, forms a material part of Surety's consideration for Bonds.

28. **WAIVER OF EXEMPTIONS:** Indemnitors waive all rights to claim any of their property, including their respective homesteads, as exempt from any levy, execution, sale or other legal process by Surety, unless such waiver is prohibited by law.

29. Intentionally Omitted.

30. **DEFINITIONS:**

Bonded Contract means any contract or other obligation referred to in any Bond or secured by any Bond.

Change in Control means any Principal or Indemnitor, without Surety's prior written consent: (a) assigning or selling any Bonded Contract; (b) undergoing a change in the beneficial ownership, directly or indirectly, of thirty percent (30%) or more of its voting stock (measured by voting power rather than number of shares) in one or more transactions, or any change in stock that results in a change of majority ownership; or (c) ceasing or threatening to cease to carry on business, or having any resolution passed or order made for its winding-up, liquidation or dissolution.

Claim or Claims means any notice, claim, demand, defense, counterclaim, setoff, lawsuit or proceeding or circumstance which may constitute, lead to or result in Loss, liability, or asserted liability in connection with any Bond, any Bonded Contract, or this Agreement.

Collateral means all right, title and interest of one or more Indemnitors in the following, wherever located, and whenever acquired or arising: (a) all Bonded Contracts; (b) all goods (including equipment, machinery, tools and materials), general intangibles, and inventory, to the extent not subject to a prior perfected security interest; (c) all subcontracts and purchase orders arising under any Bonded Contract, and all surety bonds supporting such subcontracts and purchase orders; (d) all sums which are or may become payable in connection with any Bonded Contract and all other contracts in which any Indemnitor has an interest; (e) all intellectual property (including proprietary software) necessary or required to perform any Bonded Contract; (f) any facilities or plants necessary or required to perform any Bonded Contract; and (g) any real or personal property, the improvement of which is secured by any Bond.

Event of Default means any one or more of the following: (a) failure to timely perform or comply with any Bonded Contract or failure to timely pay invoices, bills or other indebtedness or to discharge liabilities under any Bonded Contract or Bond; (b) Breach of any Bond or declaration of default under any Bonded Contract (whether admitted or contested); (c) Surety setting any reserve against Loss or incurring Loss; (d) breach of or failure to timely comply with this Agreement;

(e) any Principal or Indemnitor becoming the subject of any bankruptcy, insolvency, receivership, creditor assignment or trusteeship (whether voluntary or involuntary and whether insolvent or not); (f) any occurrence which deprives or impairs any Principal, Indemnitor and/or Surety of the use of any Collateral; (g) any individual Indemnitor becoming legally incompetent, imprisoned, convicted of a felony, or disappearing and being unable to be located; (h) a Change in Control; (i) any default, however described, which occurs under any document relating to the financial indebtedness of any Principal or Indemnitor, or any event as a result of which that financial indebtedness is or becomes capable of being rendered prematurely due and payable; or (j) any representation by any Principal or Indemnitor to Surety which was materially false or misleading when made.

Good Faith means, with respect to any act, exercise of discretion or omission by Surety, an absence of dishonesty, evil intent and actual malice toward Principal and Indemnitors.

Loss means all premiums due to Surety and any and all liability, loss, Claims, damages, court costs and expenses, attorneys' fees (including those of Surety), consultant fees, and all other costs and expenses, including but not limited to any additional or extra-contractual damages arising from Surety's Settlement of any Claim. Pre-judgment and post-judgment interest shall accrue from the date of any payment made by Surety with respect to any of the foregoing at the maximum default rate permitted by law.

Principal means any person or entity whose obligation is guaranteed by a Bond.

SIGNATURE PAGE(S) TO FOLLOW

(The remainder of this page is intentionally left blank)

SIGNATURE INSTRUCTIONS

All signatures should be notarized and dated.

- 1. Corporation: an officer on the operational side (i.e. President, CEO, COO) and an officer on the finance side (i.e. Secretary, CFO, Treasurer) should sign;
2. Limited Liability Company (LLC): (a) if manager-managed, and if only one manager, the manager should sign; if more than one manager, two managers should sign (b) if member-managed, all members should sign unless there is only one member, then the one member should sign, or (c) if the LLC has appointed officers to manage the LLC, an officer on the operational side and an officer on the finance side should sign.
3. Limited Partnership (LP): (a) if only one general partner, the general partner should sign; (b) if more than one general partner, two general partners should sign.
4. Limited Liability Partnership (LLP): at least two partners should sign.
5. Trust: All of the Trustee(s) should sign.
6. Individuals: Each Individual Indemnitor signature must be witnessed and notarized.

By signing below, each Indemnitor affirms to Surety that they have read this General Indemnity Agreement carefully and understand their obligations as an Indemnitor. If the Indemnitor is a business entity, each signer executing this Agreement on behalf of such Indemnitor represents and warrants that he, she or it holds the office or position shown and that he, she or it is duly authorized by Indemnitor to execute this Agreement on behalf of Indemnitor and to bind Indemnitor to all of the terms and conditions of this Agreement.

INDEMNITOR:

Emerick Construction

7855 SW Mohawk Street, Tualatin, OR, 97062, USA

(SEAL)

By: [Signature]
Corey Lohman
As President & Secretary of Emerick Construction

LAST 4 DIGITS OF TIN:

Date: April 18, 2018

By: [Signature]
Larry Sitz
As Chief Executive Officer of Emerick Construction

Date: April 18, 2018

NOTARIAL ACKNOWLEDGEMENT

STATE OF: OR COUNTY OF: Washington

The following instrument was acknowledged before me this 18 day of April, 2018 by:
[name of signer#1] Corey M. Lohman as [title of signer#1] President + Secretary
of [name of entity] Emerick Construction ("Entity"), on behalf of the Entity. He/She is personally known to me or has produced [form of identification] as identification.
and by
[name of signer#2] Larry Sitz as [title of signer#2] CEO of the Entity
on behalf of the Entity. He/She is personally known to me or has produced [form of identification] as identification.

My commission expires: 2-15 2020

Notary Seal

[Signature]
Notary Public Signature
Printed Name Christina Fell



I have read this General Indemnity Agreement carefully. There are no separate agreements or understandings, either written or oral, that in any way lessen or change my obligations as set forth in this Agreement. In testimony hereof I have signed this Agreement on the day and year written below.

WITNESS:

INDEMNITOR Corey M. Lohman
1409 S. Maple Street, Canby, OR, 97013, USA

Last four digits of
Indemnitor's Social
Security Number:

Larry Sitz
Witness Signature

Corey M. Lohman
Indemnitor Signature



Print Name: Larry Sitz

Date: April 18, 20 18

Date: April 18, 20 18

NOTARIAL ACKNOWLEDGEMENT

STATE OF: OR COUNTY OF: Washington

The following instrument was acknowledged before me this 18 day of April, 20 18 by:
[name of signer] Corey M. Lohman. He/She is personally known to me or has produced [form of identification]
_____ as identification.

My commission expires:

Christina Mae Fell
Notary Public Signature

2-15
20 20

Printed Name Christina Mae Fell



I have read this General Indemnity Agreement carefully. There are no separate agreements or understandings, either written or oral, that in any way lessen or change my obligations as set forth in this Agreement. In testimony hereof I have signed this Agreement on the day and year written below.

WITNESS:

INDEMNITOR Stacy J. Lohman
1409 S. Maple Street, Canby, OR, 97013, USA

Last four digits of
Indemnitor's Social
Security Number:

Corey M. Lohman
Witness Signature

Stacy J. Lohman
Indemnitor Signature



Print Name: Corey M. Lohman

Date: April 18, 20 18

Date: April 18, 20 18

NOTARIAL ACKNOWLEDGEMENT

STATE OF: OR COUNTY OF: Washington

The following instrument was acknowledged before me this 18 day of April, 20 18 by:
[name of signer] Stacy Lohman. He/She is personally known to me or has produced [form of identification]
_____ as identification.

My commission expires:

Christina Mae Fell
Notary Public Signature

2-15
20 20

Printed Name Christina Mae Fell



I have read this General Indemnity Agreement carefully. There are no separate agreements or understandings, either written or oral, that in any way lessen or change my obligations as set forth in this Agreement. In testimony hereof I have signed this Agreement on the day and year written below.

WITNESS:

INDEMNITOR Lawrence Sitz
6443 SE Furnberg, Milwaukie, OR, 97222, USA

Last four digits of
Indemnitor's Social
Security Number:

[Signature]
Witness Signature

[Signature]
Indemnitor Signature

██████████

Print Name: Corey M. Lohman

Date: April 18, 2018


Date: April 18, 2018

NOTARIAL ACKNOWLEDGEMENT
STATE OF: OR COUNTY OF: Washington

The following instrument was acknowledged before me this 18 day of April, 2018 by:
[name of signer] Larry Sitz. He/She is personally known to me or has produced [form of identification]
_____ as identification.

My commission expires: 2-15
2020

[Signature]
Notary Public Signature
Printed Name Christina Fell



I have read this General Indemnity Agreement carefully. There are no separate agreements or understandings, either written or oral, that in any way lessen or change my obligations as set forth in this Agreement. In testimony hereof I have signed this Agreement on the day and year written below.

WITNESS:

INDEMNITOR Barbara Sitz
6443 SE Furnberg, Milwaukie, OR, 97222, USA

Last four digits of
Indemnitor's Social
Security Number:

[Signature]
Witness Signature

[Signature]
Indemnitor Signature

██████████

Print Name: Larry Sitz

Date: April 18, 2018


Date: April 18, 2018

NOTARIAL ACKNOWLEDGEMENT
STATE OF: OR COUNTY OF: Washington

The following instrument was acknowledged before me this 18 day of April, 2018 by:
[name of signer] Barbara Sitz. He/She is personally known to me or has produced [form of identification]
_____ as identification.

My commission expires: 2-15
2020

[Signature]
Notary Public Signature
Printed Name Christina Fell





11/20/2024

Funds Control Bank Account (Emerick Key Claim 6380090187)

Bank Name: Abington Bank, a Division of North Shore Bank

Bank Physical Address: 95 North Franklin Street, Holbrook, MA 02343

Bank Contact and Phone Number: Joyce Davis – Branch Manager (781) -767-1888

Bank Account Name: The Vertex Companies, LLC (Emerick Construction Company)

Bank Account Holder: The Vertex Companies, LLC

Bank Account Holder Address: 400 Libbey Pkwy, Weymouth, MA 02189-3134

Routing Number: 211371845

Bank Account Number: 995326694

Vertex Contact Name: Charles Lewing, Senior Consultant

Mailing Address: 104 ½ West Ninth Avenue, Suite #332, Winfield, KS 67156

Vertex Contact Phone #: 432-703-8495

Vertex Contact Email: clewing@vertexeng.com

Option One – Design – Bid – Build

- Rules outlined in 67-2309, 67-2310, 67-2320, & 67-2805 of Idaho Code
- The owner is responsible for each step of the procurement
 1. Design
 - Hire an architect or engineer to complete design and produce finished plans.
 - Plans are usually completed with little to no input from the contractor
 2. Bidding – Category A & B
 - Requires public invitations for bids and solicitations of qualifications
 - Category A projects are open to all licensed public works contractors
 - Category B projects follow a two-step process
 - 1st – Solicitation of Qualifications from which some contractors are prequalified to submit bids
 - 2nd – Bids accepted from only the prequalified contractors
 3. Build
 - Owner contracts with contractor. The owner is responsible for contract administration
 - Owner responsible for all costs above estimate provided by architect or engineer
 - Price adjusted through change orders to accommodate construction realities
- Advantages
 1. High degree of transparency
 2. Opportunity to receive multiple bids
 3. Well understood
- Disadvantages
 1. Time consuming
 2. No pricing information is available until after the design is finished
 3. Owner bears all responsibility and risk
 4. Required to hire the lowest bidder
 5. Limited contractor accountability
 6. Focuses on the lowest initial cost, not what might be best for long-term
 7. Change orders are common
- When to use
 1. Routine maintenance
 2. The project has a low risk of cost overruns
 3. Qualifications of the contractor are not a concern
- More information: https://www.youtube.com/watch?v=cF_5MEqbgUk

Option Two – Design – Build

- Design and Construction handled in a single contract
 1. Project lead can be the design entity or the construction entity
- Rules outlined in 67-2309 of Idaho Code
- Team can be selected without considering proposed costs

1. The owner selects the team (both designer and contractor) in one quality-based selection process.
 2. The owner and team determine when the final price should be established.
 3. The team completes design and construction to conform to the agreed-upon price
- Advantages
 1. Allows the owner to select the team based on quality and value
 2. Allows the owner to negotiate a fixed-price contract
 3. Provides the owner with one contractual point of responsibility
 4. Reduces the risk of going over budget
 - Disadvantages
 1. Requires more owner preparation at the start of the process
 2. The owner must select the entire team
 - May like one team member, but not the other
 3. The owner gives up control of design and construction details after the price is established
 4. Little opportunity for the owner to guide the process

Option Three – Construction Manager As Advisor

- Employs a third-party manager to oversee the Design/Bid/Build process
- Rules outlined in 54-4503, 54-4511, and 67-2320 of Idaho Code
- The owner remains responsible and holds the contracts, but has a consultant on hand to provide advice
 1. The owner selects & contracts with a licensed CM
 - Requires special license and bonding
 - Competitive selection based on qualifications (not price)
 2. CM advises during the design process
 - Owner contracts separately with a designer
 - CM helps represent owner's desires and priorities to architects and engineers
 3. CM handles the bidding process and hires contractors on behalf of the owner
 - Traditional bidding procedures apply
 4. CM oversees the construction
- Advantages
 1. All the advantages of the Design-Bid-Build with an extra set of eyes to help manage design, pre-construction, construction, and warranty.
 2. Allows the owner to consider budget pricing during design
 3. CM brings experience beyond that of most public employees
 4. 100% transparency with all change orders and 100% of the project contingency is retained by the owner
- Disadvantages
 1. The owner bears additional risk as it carries the prime contracts with all trade contractors, but contracts are 100% bonded
 2. Required to award to the lowest responsible trade bidders
- When to use
 1. The owner lacks the experience to manage Design-Bid-Build themselves

2. Larger, more complicated projects than routine maintenance
3. Transparency of costs out-weigh concerns of contract risk

Option Four – CM/GC

- Construction Manager/General Contractor
- Entire process handled in one contract
- Rules outline in 54-4503, 54-4511, and 67-2320 of Idaho Code
- Similar to CM Rep, but consultant also allowed to complete some of the construction
- CM/GC – 2016 Changes
 1. Bids required from multiple subcontractors
 2. CM/GC required to bid all work to be self-performed prior to opening other bids
 3. The owner is authorized to set limits on the amount of self-performed work
 4. All bids become public records once open
- Similar to Design/Build, but one entity is placed in charge of the entire process
 1. The owner hires a CM/GC
 - Selection uses the same process as selecting a CM Representative (qualifications not price)
 2. CM/GC involved in the design phase as a consultant
 - Engages contractor early in the process
 - Doing so catches problems early
 - Speeds up the process by eliminating the need to redesign parts of the project later
 3. CM/GC manages the bid process
 - Solicits bids from qualified trade contractors
 - The owner can be as involved as they wish
 - CM/GC allowed to submit bids for work they traditionally do and are licensed to perform
 - CM/GC opens bids with the owner present and awards work to the lowest bidder
 - CM/GC enters into contracts with subcontractors for supplies and construction
 4. CM/GC & Owner agree upon a Guaranteed Maximum Price
 5. CM/GC serves as General Contractor during the construction phase
 - CM/GC bears the risk of delivering the project on time and under budget
 - CM/GC manages all contracts and payables
 - CM/GC provides regular updates to the owner
- Advantages
 1. Includes construction expertise during the design phase – eliminates the need for changes later.
 2. Allows the owner to consider pricing throughout the design phase
 3. Allows the owner to negotiate a guaranteed maximum price
 4. Streamlines authority to make execution of plan more effective
 5. Shifts risk to the contractor
- Disadvantages
 1. Reduced owner involvement in bidding and contracting for construction work

- When to use
 1. Large, complex projects
 2. Looking to encourage innovation
 3. Projects have tight time frames or limited budget
 4. Owner wants to save money

Lakeland Joint School District Enrollment/Attendance Report ~ December 4, 2024

Enrollment

SCHOOL	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total	Previous Year	Variance	Previous Month	Variance
JOHN BROWN 101		70	49	67	50	66	79								381	342	39	376	5
SPIRIT LAKE 102		44	37	57	41	48	58								285	292	-7	285	0
ATHOL 103		32	42	44	56	56	53								283	297	-14	284	-1
BETTY KIEFER 104		46	57	66	69	60	71								369	391	-22	369	0
GARWOOD 105		64	58	74	82	63	83								424	402	22	424	0
TWIN LAKES 106	42	23	43	43	45	46	43								243	279	-36	282	-39*
LAKELAND MIDDLE 201								221	189	225					635	625	10	635	0
TIMBERLAKE MIDDLE 202								153	126	138					417	347	70	416	1
LAKELAND HIGH 301											204	209	228	243	884	892	-8	885	-1
TIMBERLAKE HIGH 401											136	120	140	136	532	541	-9	536	-4
MOUNTAIN VIEW 491									2	6	17	41	50	51	167	183	-16	159	8
TOTALS	42	279	286	351	343	339	387	374	317	369	357	370	418	430	4,662	4,591	71	4,651	-31
PREVIOUS YEAR	34	263	325	323	317	377	364	291	353	337	369	408	447	383	4,591				
VARIANCE BY GRADE	8	16	-39	28	26	-38	23	83	-36	32	-12	-38	-29	47	71				

Attendance

SCHOOL	PK	K	1	2	3	4	5	6	7	8	9	10	11	12	Total	Enroll	Variance	Percent
JOHN BROWN 101		68	46	65	48	63	77								367	381	14	96.33%
SPIRIT LAKE 102		44	36	55	40	46	51								272	285	13	95.44%
ATHOL 103		32	41	43	55	53	53								277	283	6	97.88%
BETTY KIEFER 104		43	56	62	68	57	70								356	369	13	96.48%
GARWOOD 105		61	56	70	79	59	79								404	424	20	95.28%
TWIN LAKES 106		22	42	40	45	45	43								237	243	6	97.53%
LAKELAND MIDDLE 201								210	184	216					610	635	25	96.06%
TIMBERLAKE MIDDLE 202								150	122	134					406	417	11	97.36%
LAKELAND HIGH 301											196	197	223	239	855	884	29	96.72%
TIMBERLAKE HIGH 401											126	111	136	131	504	532	28	94.74%
MOUNTAIN VIEW 492									2	6	16	34	48	48	154	167	13	92.22%
TOTALS	0	270	277	335	335	323	373	360	308	356	338	342	407	418	4,442	4,620	178	96.15%
Enrollment	42	279	286	351	343	339	387	374	317	369	357	370	418	430	4,662			
Total Absences by Grade	42	9	9	16	8	16	14	14	9	13	19	28	11	12	220			
Percent by Grade	0.00%	96.77%	96.85%	95.44%	97.67%	95.28%	96.38%	96.26%	97.16%	96.48%	94.68%	92.43%	97.37%	97.21%	95.28%			

**Report adjusted to not include Developmental Preschool in enrollment/attendance percentage, as attendance is not taken at the Preschool

LGIP Distribution Yield			LGIP Distribution Yield		
2023/2024			2024/2025		
July 2023		4.92%	July 2024		5.18%
August 2023		5.16%	August 2024		5.19%
September 2023		5.31%	September 2024		5.16%
October 2023		5.35%	October 2024		5.00%
November 2023		5.40%	November 2024		
December 2023		5.42%	December 2024		
January 2024		5.41%	January 2025		
February 2024		5.44%	February 2025		
March 2024		5.43%	March 2025		
April 2024		5.23%	April 2025		
May 2024		5.17%	May 2025		
June 2024		5.21%	June 2025		

100 E 631000 - BOARD OF EDUCATION SUMMARY				
Component of the General Fund Budget				
Coding	Total Budget	Actual Expenses	Open PO's	Actual Remaining
115 - CLASSIFIED REG SALARY	54,133.00	\$ 22,555.45	\$ -	31,577.55
211 - RETIREMENT	6,048.00	\$ 2,697.65	\$ -	3,350.35
220 - SOCIAL SECURITY	3,868.00	\$ 1,676.95	\$ -	2,191.05
230 - LIFE INSURANCE	29.00	\$ 13.00	\$ -	16.00
240 - HEALTH INSURANCE	10,429.00	\$ 4,230.00	\$ -	6,199.00
250 - EMPLOYEE ASSISTANCE PROGRAM	26.00	\$ 11.35	\$ -	14.65
311 - LEGAL FEES	15,000.00	\$ 8,229.50	\$ -	6,770.50
312 - AUDIT SERVICES	32,000.00	\$ 23,600.00	\$ -	8,400.00
314 - PUBLISHING	1,000.00	\$ 233.01	\$ -	766.99
380 - TRAVEL EXPENSE	2,000.00	45.85	-	1,954.15
390 - PURCHASED SERVICES	25,000.00	\$ 10,620.44	\$ -	14,379.56
410 - GENERAL SUPPLIES	3,000.00	\$ 4,659.50	\$ 312.97	(1,972.47)
710 - INSURANCE	42,987.00	\$ 42,987.00	\$ -	-
	<u>\$ 195,520.00</u>			<u>\$ 73,647.33</u>

Updated 12.6.24

****IFARMS Definition of Board of Education:**

Activities of the elected body that has been created according to state law and vested with responsibilities for educational activities in a given administrative unit.

*Some examples of services to be included here are:
Board Secretary/Clerk Services; Legal Services; etc.*

100 E 631000 - BOARD OF EDUCATION DETAILED ACTIVITY

Object	Date	Vendor	Description	Expense	Open PO
311 - LEGAL	8/30/2024	ANDERSON, JULIAN & HULL, LLP	LEGAL SERVICES 7/7 - 7/23/2024	\$ 525.00	
311 - LEGAL	8/30/2024	HAWLEY TROXELL ENNIS	LEGAL SERVICES 7/7 - 7/31/2024	\$ 2,070.50	
311 - LEGAL	9/13/2024	ANDERSON, JULIAN & HULL, LLP	PROFESSIONAL SERVICES 7/1 - 7/16/24	\$ 240.00	
311 - LEGAL	9/13/2024	HAWLEY TROXELL ENNIS	LEGAL SERVICES 8/5 - 8/29/2024	\$ 613.50	
311 - LEGAL	9/13/2024	LYONS O'DOWD, PLLC	LEGAL SERVICES 8/13/2024	\$ 75.00	
311 - LEGAL	10/11/2024	ANDERSON, JULIAN & HULL, LLP	PROFESSIONAL SERVICES 8/1/ - 8/31/24	\$ 40.00	
311 - LEGAL	10/11/2024	HAWLEY TROXELL ENNIS	LEGAL SERVICES 9/10 - 9/26/24	\$ 195.50	
311 - LEGAL	10/18/2024	LYONS O'DOWD, PLLC	LEGAL SERVICES 9/5 - 9/30/24	\$ 1,150.00	
311 - LEGAL	11/15/2024	ANDERSON, JULIAN & HULL, LLP	PROFESSIONAL SERVICES 9/17 - 9/30/20241	\$ 20.00	
311 - LEGAL	11/15/2024	LYONS O'DOWD, PLLC	LEGAL SERVICES 10/2 - 10/31/2024	\$ 3,300.00	
Total				\$ 8,229.50	\$ -

Object	Date	Vendor	Description	Expense	Open PO
312 - AUDIT SERVICES	8/15/2024	HAYDEN ROSS, PLLC	PROGRESS INVOICE FOR JUNE 30, 2024 AUDIT SERVICES	\$ 10,000.00	
312 - AUDIT SERVICES	11/15/2024	HAYDEN ROSS, PLLC	ANNUAL AUDIT FOR 2023-24	13,600.00	
Total				\$ 23,600.00	\$ -

Object	Date	Vendor	Description	Expense	Open PO
314 - PUBLISHING	7/12/2024	COEUR D'ALENE PRESS	LEGAL AD - EXPECTED & ACTUAL USE OF LEVY FUNDS	\$ 62.39	
314 - PUBLISHING	11/15/2024	COEUR D'ALENE PRESS	LEGAL AD - ANNUAL STATEMENT OF FINANCIAL CONDITION	170.62	
Total				\$ 233.01	\$ -

Object	Date	Vendor	Description	Expense	Open PO
380 - TRAVEL EXPENSE	8/20/2024	MICHELLE J THOMPSON	EXP REIMB FOR MILEAGE	\$ 45.85	

Total \$ 45.85 -

Object	Date	Vendor	Description	Expense	Open PO
390 - PURCHASED SERVICES	7/31/2024	IDAHO SCHOOL DISTRICT COUNCIL	MEMBERSHIP DUES FOR 2024-25	\$ 50.00	
390 - PURCHASED SERVICES	08/30/2024	TASB, INC	BOARDBOOK PREMIER SUBSCRIPTION 9/1/24 - 8/31/2025	\$ 3,250.00	
390 - PURCHASED SERVICES	08/30/2024	COEUR D'ALENE PRESS	LEGAL AD FOR 24-25 CONCRETE PROJECT	\$ 72.80	
390 - PURCHASED SERVICES	09/13/2024	MINUTE PRESS	UPDATE FOR LEVY BANNERS PER QUOTE	\$ 135.14	
390 - PURCHASED SERVICES	10/11/2024	MINUTE PRESS	FLYERS & MAILINGS FOR BOARD	\$ 1,051.78	
390 - PURCHASED SERVICES	10/15/2024	MINUTE PRESS	FLYERS & MAILINGS FOR BOARD	\$ 4,556.10	
390 - PURCHASED SERVICES	10/15/2024	MINUTE PRESS	FLYERS & MAILINGS FOR BOARD	\$ 1,504.62	
Total				\$ 10,620.44	\$ -

Object	Date	Vendor	Description	Expense	Open PO
410 - GENERAL SUPPLIES	8/14/2024	BMO HARRIS	(BESTBUY) LAPTOP FOR THE BOARD	\$ 899.99	
410 - GENERAL SUPPLIES	08/14/2024	BMO HARRIS	(AMAZON) BOARD MEETING ACCESSORIES	\$ 378.87	
410 - GENERAL SUPPLIES	08/20/2024	MICHELLE J THOMPSON	EXP REIMB FOR ITEMS FOR TEACHER APPRECIATION	\$ 157.30	
410 - GENERAL SUPPLIES	09/24/2024	BMO HARRIS	(AMAZON) MOUNT FOR ANY CAMERA	\$ 25.95	
410 - GENERAL SUPPLIES	09/24/2024	BMO HARRIS	(AMAZON) CAMERA DESK MOUNT	\$ 37.95	
410 - GENERAL SUPPLIES	10/11/2024	COSTCO WHOLESALE	14 CAKES FOR SCHOOLS FROM BOARD - NTE \$400.00	\$ 349.86	
410 - GENERAL SUPPLIES	10/11/2024	CHURCH CHAIRS	CHAIRS FOR BOARD ROOM	\$ 2,602.63	
410 - GENERAL SUPPLIES	10/17/2024	BMO HARRIS	AMAZON - CABINET FOR BOARD ROOM	\$ 206.95	
410 - GENERAL SUPPLIES		BMO HARRIS	OFFICE DEPOT - TABLES FOR BOARD ROOM		\$ 312.97
Total				\$ 4,659.50	\$ 312.97

Object	Date	Vendor	Description	Expense	Open PO
710 - INSURANCE	7/19/2024	MORETON & COMPANY - IDAHO	ICRIMP POLICY RENEWAL 7/1/24-7/1/25	42,987.00	

FY25 Board of Education Detailed Activity

Total	<u>\$ 42,987.00</u>	<u>\$ -</u>
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Type	Line Item	Budget	Expensed	Encumbered	Committed	Remaining	Digital C&C
Elementary Curriculum	100 E 512000 440 001 000	\$89,886.00	\$64,054.45	\$128.70	\$6,500.00	\$19,202.85	
Secondary Curriculum	100 E 515000 440 001 000	\$89,886.00	\$46,257.98	\$1,806.84	\$0.00	\$41,821.18	\$29,785.13
						\$61,024.03	
updated 12.6.2024							

Fund 420 - Plant Facility Levy				
REVENUES	Budget	FY2024	FY2025	Over/Under
FY24 - Local Revenue	\$ 1,146,520.00	\$1,126,783.17	\$ -	\$ 19,736.83
FY25 - Local Revenue	\$ 1,146,520.00	\$ -	\$ 15,053.73	\$ 1,131,466.27
FY25 - Bond Levy Revenue Transfer Est.	\$ 126,659.03	\$ -	\$ 93,393.02	\$ 33,266.01
Total Revenues	\$ 2,419,699.03	\$1,126,783.17	\$ 108,446.75	\$ 1,184,469.11
EXPENDITURES	Budget	FY2024	FY2025	Ending Balance
FY24 - Fence Project	\$ 11,170.00	\$ 11,170.00	\$ -	\$ -
FY24 - SLE Carpet Abatement	\$ 48,000.00	\$ 48,189.26	\$ -	\$ (189.26)
FY24 - Building Budgets	\$ 98,070.00	\$ 32,015.73	\$ 29,574.84	\$ 36,479.43
FY24 - DO Security Upgrades	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00
FY24 - Emergency Repairs Fund	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00
FY24 - LMS Gym Floor	\$ 38,000.00	\$ -	\$ -	\$ 38,000.00
FY24 - LMS Gym Paint	\$ 25,000.00	\$ 26,360.00	\$ -	\$ (1,360.00)
FY24 - LMS Bleachers	\$ 105,000.00	\$ -	\$ -	\$ 105,000.00
FY24 - AE/SLE Plumbing/Electrical	\$ 10,800.00	\$ -	\$ 10,747.50	\$ 52.50
FY24 - JBE (3) Rooftop Units	\$ 34,000.00	\$ -	\$ 34,000.00	\$ -
FY24 - Concrete Projects	\$ 350,000.00	\$ -	\$ -	\$ 350,000.00
FY24 - LMS Roof Repairs	\$ 35,510.00	\$ -	\$ 35,508.92	\$ 1.08
FY24 - MVHS Door Replacement	\$ 10,000.00	\$ -	\$ 10,000.00	\$ -
FY24 - THS Roof Repairs	\$ 66,922.00	\$ -	\$ 66,922.14	\$ (0.14)
FY25 - Additional Concrete Projects	\$ 266,469.00	\$ -	\$ -	\$ 266,469.00
FY25 - Emergency Repairs Fund	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00
FY25 - Building Budgets	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00
FY25 - GE/BKE Playground Equipment	\$ 120,000.00	\$ -	\$ 117,880.00	\$ 2,120.00
FY25 - LHS Irrigation	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00

FY25 - AE Parking Lot	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00
FY25 - BKE Parking Lot	\$ 25,000.00	\$ -	\$ -	\$ 25,000.00
FY25 - TLE Parking Lot	\$ 25,000.00	\$ -	\$ -	\$ 25,000.00
FY25 - LHS Parking Lot	\$ 40,000.00	\$ -	\$ -	\$ 40,000.00
FY25 - MVHS Parking Lot	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00
FY25 - LMS Parking Lot	\$ 25,000.00	\$ -	\$ -	\$ 25,000.00
FY25 - Safety Film on Windows - LMS/SLE/AE	\$ 75,000.00	\$ -	\$ -	\$ 75,000.00
FY25 - Siding Project Change Order	\$ 107,000.00	\$ -	\$ -	\$ 107,000.00
FY25 - Siding Project - SLE Drip Edge	\$ 14,000.00	\$ -	\$ 13,687.00	\$ 313.00
FY25 - Siding Project - Gutters - AE/SLE	\$ 18,000.00	\$ -	\$ 14,445.00	\$ 3,555.00
FY25 - BKE Carpet (Whole Building)	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00
FY25 - AE/GE/LHS/SLE Carpet Continuation	\$ -	\$ -	\$ -	\$ -
FY25 - GE/BKE VCT Tile Cafeteria	\$ -	\$ -	\$ -	\$ -
FY25 - LMS Carpet Abatement & Flooring	\$ 210,000.00	\$ -	\$ -	\$ 210,000.00
FY25 - LHS Tennis Courts	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00
Total Expenditures	\$ 2,282,941.00	\$ 117,734.99	\$ 332,765.40	\$ 1,832,440.61
updated 12.06.24				

FY2024 Budget						
Original Approved Projects (7.5.23)	Budget	Encumbered	Expensed	Remaining Balance	Project Status	Notes
Fence Project	11,170.00		11,170.00	-	Completed	
SLE Carpet Abatement	48,000.00		48,189.26	(189.26)	Completed	
Building Budgets - Furniture - \$21/FTE	98,070.00	2,836.06	61,590.57	33,643.37		Approved Carryforward to FY25
DO Security	20,000.00		-	20,000.00		Approved Carryforward to FY25
JBE Siding	-		-	-	Canceled	
Emergency Repairs Fund	100,000.00		-	100,000.00		Approved Carryforward to FY25
Assist with Bus Purchase	-		-	-	Canceled	
Total Original Projects Budget	277,240.00	2,836.06	120,949.83	153,454.11		
Additional Approved FY24 Projects						
	Budget	Encumbered	Expensed	Remaining Balance	Project Status	Notes
LMS Gym Floor	38,000.00		-	38,000.00	In Progress	The contract has been signed. Work will be completed Summer 2025
LMS Painting	25,000.00		26,360.00	(1,360.00)	Completed	
LMS Bleachers	105,000.00		-	105,000.00	In Progress	RFP will be released in the Fall for work to be completed in tandem with gym floors Summer 2025
AE/SLE Plumbing Electrical	10,800.00		10,747.50	52.50	Completed	
JBE - 3 Rooftop Heating Units	34,000.00		34,000.00	-	Completed	
Concrete Projects	350,000.00		-	350,000.00	In Progress	Working with Architects West for Bid Specs. Will re-release RFP once complete.
LMS - Roof Repairs	35,510.00		35,508.92	1.08	Completed	
MVHS Door Replacement	10,000.00		10,000.00	-	Completed	
THS - Roof Repairs	66,922.00		66,922.14	(0.14)	Completed	
Total Additional Projects Budget	675,232.00	-	183,538.56	491,693.44		
Unappropriated FY24 Plant Facility Levy Funds				194,048.00		
Proposed FY2025 Budget						
Proposed Projects	Budget	Encumbered	Expensed	Remaining Balance	Project Status	Notes
Additional Concrete Projects	266,469.00		-	266,469.00	In Progress	Working with Architects West for Bid Specs. Will re-release RFP once complete.
Emergency Repairs Fund	100,000.00		-	100,000.00		
Building Repairs	100,000.00		-	100,000.00		
Playground Equipment - BKE, GE	120,000.00		117,880.00	2,120.00	Completed	Installation is complete.
LHS Irrigation	20,000.00		-	20,000.00	Seeking Quotes	Quote for \$27,700; seeking additional quotes
Parking Lot - AE	20,000.00		-	20,000.00	Seeking Quotes	
Parking Lot - BKE	25,000.00		-	25,000.00	Seeking Quotes	
Parking Lot - TLE	25,000.00		-	25,000.00	Seeking Quotes	
Parking Lot - LHS	40,000.00		-	40,000.00	Seeking Quotes	
Parking Lot - MVHS	15,000.00		-	15,000.00	Seeking Quotes	
Parking Lot - LMS	25,000.00		-	25,000.00	Seeking Quotes	
Safety Film on Windows - LMS, SLE, AE	75,000.00		-	75,000.00	Seeking Quotes	
Siding Project - Change Order	107,000.00		-	107,000.00	In Progress	
Siding Project - SLE Drip Edge	14,000.00		13,687.00	313.00	Completed	
Siding Project - Gutters SLE, AE	18,000.00		14,445.00	3,555.00	Completed	
Carpet - BKE (whole building)	100,000.00		-	100,000.00	Seeking Quotes	
Carpet - AE, GE, LHS, SLE (continuation)	-		-	-	Seeking Quotes	
VCT Tile - GE, BKE Cafeteria	-		-	-	Seeking Quotes	
LMS Carpet Abatement & Flooring	210,000.00	-	-	210,000.00	In Progress	Work will commence Summer 2025.
LHS Tennis Courts	50,000.00	-	-	50,000.00	On Hold	Quote from vendor was misleading - waiting direction from LHS AD and Facilities
Total Proposed Projects Budget	1,330,469.00	-	146,012.00	1,184,457.00		
Unappropriated FY25 Plant Facility Levy Funds including FY24 carryforward				156,111.00		

Fund 421 - Board Facility Projects						Updated 12.06.24
REVENUES						
	Revenue	FY2023	FY2024	FY2025	Ending Balance	
Fund Balance	\$ 2,880,200.00	\$ 428,576.98	\$ 1,413,617.50	\$ 537,436.02	\$ 500,569.50	
Total Revenues	\$ 2,880,200.00	\$ 428,576.98	\$ 1,413,617.50	\$ 537,436.02	\$ 500,569.50	
EXPENDITURES						
	Budget	FY2023	FY2024	FY2025	Ending Balance	
Spirit Lake Elementary	\$ 675,000.00	\$ 2,185.00	\$ 289,474.41	\$ 297,523.52	\$ 85,817.07	
Athol Elementary	\$ 700,000.00	\$ 2,860.00	\$ 332,780.98	\$ 239,912.50	\$ 124,446.52	
Lakeland Middle School	\$ 1,230,000.00	\$ 423,531.98	\$ 791,362.11	\$ -	\$ 15,105.91	Siding Project to Date: \$956,142.07; Door Project to Date: \$258,752.02
Activity Buses**	\$ 210,092.00	\$ -	\$ -	\$ -	\$ 210,092.00	Vendor Cancelled Activity Bus Order
Unappropriated Balances	\$ 65,108.00	\$ -	\$ -	\$ -	\$ 65,108.00	
Total Expenditures	\$ 2,880,200.00	\$ 428,576.98	\$ 1,413,617.50	\$ 537,436.02	\$ 500,569.50	
Spirit Lake Elementary						
	Date	FY2023	FY2024	FY2025	Open PO's	Description
PRISM ENVIRONMENTAL SERVICES	3/28/2023	\$ 1,825.00				SAMPLES & ASBESTOS PLANS FOR AE, SLE, LMS
PRISM ENVIRONMENTAL SERVICES	6/30/2023	\$ 360.00				ENVORINMENTAL TESTING FOR AE, SLE & LMS
ARCHITECTS WEST, INC	11/17/2023		\$ 2,273.16			PROFESSIONAL SERVICES FOR SLE
ARCHITECTS WEST, INC	12/15/2023		\$ 2,114.32			PROFESSIONAL SERVICES FOR AE, SLE, LMS - 11/1 - 11/30/2023
ARCHITECTS WEST, INC	1/23/2024		\$ 590.00			PROFESSIONAL SERVICES FOR SLE
CITY OF SPIRIT LAKE	2/2/2024		\$ 6,314.00			PERMIT FEE FOR SLE SIDING PROJECT
ARCHITECTS WEST, INC	2/15/2024		\$ 90.00			PROFESSIONAL SERVICES FOR AE, SLE, LMS - 1/1-1/31/2024
ARCHITECTS WEST, INC	3/15/2024		\$ 360.00			PROFESSIONAL SERVICES FOR SLE
ARCHITECTS WEST, INC	4/19/2024		\$ 378.43			PROFESSIONAL SERVICES FOR SLE
ARCHITECTS WEST, INC	5/15/24		\$ 590.00			PROFESSIONAL SERVICES FOR SLE
EMERICK CONSTRUCTION COMPANY	5/31/24		\$ 145,279.00			SIDING PROJECT AT SLE
ARCHITECTS WEST, INC	6/30/24		\$ 450.00			PROFESSIONAL SERVICES FOR SLE
EMERICK CONSTRUCTION COMPANY	6/30/24		\$ 131,035.50			SIDING PROJECT AT SLE
EMERICK CONSTRUCTION COMPANY	8/12/24			\$ 221,130.50		SIDING PROJECT AT SLE
ARCHITECTS WEST, INC	8/15/24			\$ 649.90		PROFESSIONAL SERVICES FOR SLE
EMERICK CONSTRUCTION COMPANY	09/05/24			\$ 75,153.00		SIDING PROJECT AT SLE
ARCHITECTS WEST, INC	10/25/2024			\$ 132.75		PROFESSIONAL SERVICES FOR SLE
ARCHITECTS WEST, INC	10/25/2024			\$ 457.37		PROFESSIONAL SERVICES FOR SLE
		\$ 2,185.00	\$ 289,474.41	\$ 297,523.52	\$ -	
Athol Elementary						
	Date	FY2023	FY2024	FY2025	Open PO's	
PRISM ENVIRONMENTAL SERVICES	3/28/2023	\$ 2,460.00				SAMPLES & ASBESTOS PLANS FOR AE, SLE, LMS
PRISM ENVIRONMENTAL SERVICES	6/30/2023	\$ 400.00				ENVORINMENTAL TESTING FOR AE, SLE & LMS

