MORROW COUNTY UNIFIED RECREATION DISTRICT AND MORROW COUNTY SCHOOL DISTRICT

2005-2006 INTERGOVERNMENTAL AGREEMENT

Agreement made this 1st day of August, 2005, between the Morrow County Unified Recreation District, "Rec District" and the Morrow County School District, "School District".

RECITALS:

A. The Rec District has the authority to provide cultural and recreational activities for the people of Morrow County. (See Morrow County Ordinance number 0-27-95 adopted March 24, 1995)

B. The School District may permit the use of school buildings and grounds by residents of the district for civic and recreational purposes, including supervised recreational activities and meeting places for discussion of all subjects and questions which in the judgement of the residents may relate to the educational, political, economic, artistic and moral interests of the residents. (See ORS 332.172)

C. The School District has the facilities, staff and experience to provide certain cultural and recreational activities for the people of Morrow County.

D. The Rec District desires to utilize the facilities and staff of the School District to provide such activities and the School District agrees to so provide.

E. Both parties have the authority to reorganize in a manner to better serve the public in a time when resources are limited and programs are being eliminated.

F. The Rec District and School district have entered into this agreement to better serve the public more efficiently and effectively and to provide continuity of services to the community which is in the public interest.

The Rec District and the School District agree:

1. <u>Youth activities to be provided by School District</u>: During the 2005-2006 fiscal year, the School District shall provide the youth activity programs described in paragraph 2 for School District students, home school students and private school students residing in the District and meeting the eligibility requirements of the School District and will furnish all personnel, equipment, materials and facilities required for the proper performance of such activities.

2. Description of Services and Activities: The School District will provide youth extra-curricular activities, including but not limited to sports, drama and music at levels to the best of it's ability, with the funding identified in this agreement. Both parties agree these activities constitute an essential developmental component for school age children. The parties commit to providing access to these activities to as many children as funding, resources and interest will allow. The Rec District recognizes that the School District has the right to supplement funding to these activities or to add additional activities at their expense, for the benefit of the all school age children. The parties recognize the importance of the Recreation District in raising public awareness, support and funding for the continuation of these activities. Both parties recognize and will cooperate in maintaining clear channels of communication to avoid, as much as possible, any misunderstanding between the governing boards of the two bodies, so a continuous and complete program of extra-curricular activities can be maintained. As both parties recognize, the ability to continue the extra-curricular program past the original term of this agreement depends on public perceptions of the success of this program and continued public support in the future. Both parties will use utmost care to keep each other fully informed on the extra-curricular programs and student involvement.

The School District has provided to the Rec District a budget, numbered 230, for the 2005-2006 funding levels necessary to provide the said activities. The Rec District does not have funds available to adequately fund all the activities presented in the budget. The Rec District recognizes the School District's authority and right to provide extra-curricular activities at its own expense, and encourages the School District's to supplement any activity or add activities, beyond the scope of this agreement, that the School District deems necessary for the benefit of the school age children. The School District will have the right to make all determinations as to the level of activities provided within the limits of funding provided in this agreement.

No money paid by the Recreation District shall be used for any portion of activities that are course of study prescribed by statute or by the rules of the State Board of Education. Nor shall such funding be used for supplemental courses required by the School District Board pursuant to the authority granted to it in ORS 336.035. The programs and activities funded by this agreement are to be primarily conducted by the School District outside of regular school hours. It is understood that many of the activities are conducted off school grounds. The Rec District money shall not be used for educational curriculums or programs.

3. <u>Gate Receipts and Pay to Participate Funds</u>: The School District may charge admission for extra curricular activities including varsity games, plays and other activities as has been the practice of the School District. The proceeds from all gate receipts are to be received as revenue for the 230 budget and will be allocated and expended solely at the school district's discretion to offset expenses of the 230 budget. Additionally the School District has a "Pay to Participate" program for athletics. The School District will continue "Pay to Participate" and the fees will be received as revenue for the 230 budget and will be allocated and expended solely at the school district's discretion to offset is revenue for the 230 budget and will be allocated and expended solely at the school district's discretion to offset is revenue for the 230 budget and will be allocated and expended solely at the school district's discretion to offset expenses of the 230 budget and will be allocated and expended solely at the school district's discretion to offset expenses of the 230 budget and will be allocated and expended solely at the school district's discretion to offset expenses of the 230 budget.

- 4. <u>Payment by Rec District for Activities</u>: The Rec District shall pay the School District for services performed, including costs and expenses, a sum not to exceed \$ 349,000.00 for the fiscal year of 2005-2006. The Rec District will make payment to the School District commensurate with the amount the School District has expended for the extra-curricular programs and upon receipt of a bill for the activities. The bill submitted by the School District shall contain the activities provided and the sums expended by the School District, under this agreement. Both parties agree that the School District will bill the Rec District a minimum of three times in the fiscal year, with the total billing not to exceed the amount stated. The School District shall bill the Rec District on December 1st, 2005, on March 1st, and on June 1st. The Rec District shall pay approved bills within 30 days of billing. The School District will acknowledged receipt of payment within 10 days.
- 5. <u>Levied Funds</u>: Both parties recognize that not all funds available to and collected by the Rec District shall be paid to the School District, there being some funds allocated in the Rec Districts budget for community activity programs for the general public and other administrative costs. The School District recognizes the availability of the funds, for this agreement, is contingent on the actual amount of funds collected by the Rec District.
- 6. <u>Mutual Indemnification</u>: Each party shall defend and indemnify the other parties, their officers, agents, and employees from any and all claims, actions, costs, judgments, damages or other expenses resulting from injury to any person (including loss or destruction), caused by the negligence or other tortuous acts of the indemnifying party (including, but not limited to, acts and omissions of the indemnifying party's officers, employees, agents, contractors, and subcontractors). The obligations stated in this section shall be subject to the following conditions:
 - 6.1 The party seeking indemnity shall promptly notify the other party in writing of any claim; and
 - 6.2 The indemnifying party has sole control of the defense of such claim and of all negotiations for its settlement or compromise; and
 - 6.3 The indemnified party gives the indemnifying party information reasonably available and assistance necessary to facilitate the settlement and defense of such claim and, to the extent permitted by law, the indemnified party makes any defenses available to the indemnifying party.
 - 6.4 The indemnifying party's obligation under this section shall be reduced to the extent by which the liability, damage, or expense results from the negligence or other tortuous acts of the indemnified party, the indemnifying party's officers, employees, or agents or a third party.
 - 6.5 The Rec District's and School District's duty to indemnify shall be subject to the limitation imposed by the Oregon Constitution, applicable statutes, and by the Oregon Tort Claims Act.

- 7. <u>Modification or Termination</u>: The Rec District may reduce or eliminate amounts for programs and activities specified in this agreement if the funding available to the Rec District for collection is not actually collected. The School District may terminate this agreement or any portion of this agreement, at any time during the fiscal year, if it so determines it can no longer adequately supply staff or facilities to administer the said programs or activities. Upon termination, any funds remaining in the 230 budget, including Gate Receipts that were not expended for the fulfillment of this contract shall be refunded to the Rec District commensurate to their contribution to the overall revenues of the fund.
- 8. <u>Independent Contractor Status</u>: The School District is an independent contractor and not an employee of the Rec District. The School District shall have the complete responsibility for the performance of this contract. The School District shall provide worker's compensation coverage as required by ORS Chap 656 for all persons employed to perform work on activities paid in whole or in part by the Rec District. The School District is a subject employer that will comply with ORS 656.017.
- 9. <u>Severability</u>: This agreement is severable. In the event that any portion of this agreement is found by a court of competent jurisdiction to be unlawful or unenforceable, the remaining portions of this agreement shall continue.
- 10. <u>Reporting and Auditing</u>: The School District shall provide to the Recreation District at the end of each fiscal year a report including all activities and programs funded by the Recreation District under this agreement. The report shall include a balanced accounting of all revenues and expenditures to the 230 budget.
- 11. <u>Division of School District</u>: In the event that any portion of the School District is withdrawn therefrom and becomes a separate school district, the Rec District reserves the right to reapportion the provision of funds otherwise provide under paragraph 4 above, so that funds may be provided to the new school district.

Craig Miles, Chairman Morrow County School District Date

Cyde Marie Estes, Chairman Morrow County Unified Recreation District Date