

**DRAFT MOTION TO ESTABLISH A COOPERATIVE SERVICES AGREEMENT BETWEEN  
THE HYDABURG CITY SCHOOL DISTRICT AND THE SOUTHEAST ISLAND SCHOOL DISTRICT  
FOR CONSTRUCTION OF A WOOD-FIRED BOILER SYSTEM**

This motion is being considered by the Boards of Education for Hydaburg City School District (HCSD) and the Southeast Island School District (SISD) as part of their continued shared goal of seeking creative solutions to allow for the provision of a quality education to the students of the respective districts in the face of increased costs and demands on available resources.

HCSD desires to build a wood-fired boiler system in order to ensure a reliable source of energy to heat HCSD's school buildings and to save on long-term energy costs. HCSD has received grant funding from Alaska Energy Authority ("AEA") and the U.S. Department of Agriculture ("USDA") to design and build a wood-fired boiler system (the "Project") that would heat HCSD buildings. SISD's employee, Jonathan Fitzpatrick, has overseen the construction of six systems similar to the Project for SISD.

This motion is intended to constitute a framework for a cooperative services agreement between HCSD and SISD for the construction of the Project. Passage of this motion would authorize the superintendents of HCSD and SISD to sign on behalf of their respective Districts a cooperative services agreement for the Project. The signed agreement would thereafter be presented to both Boards as information items.

Consistent with the above, I move that Southeast Island School District enter into a cooperative services agreement with Hydaburg City School District that is consistent with this motion and provides the following:

1. SISD will provide the project manager, Jonathan Fitzpatrick, and an assistant, to oversee construction of the Project. These individuals shall be employed by SISD and shall be paid and receive employment benefits from SISD in accordance with SISD's classified handbook. SISD's district office personnel shall provide administrative services for the Project, including processing Project orders, managing Project accounts payable, processing payroll for SISD employees working on the Project, and submitting all required Project reports and back-up documentation to AEA.
2. HCSD shall hire as its employees any workers required for the Project in addition to those to be provided by SISD under item 1 above. These additional workers shall be employed by HCSD and work under HCSD's classified handbook for their salary and benefits.
3. As consideration for the services to be provided by SISD (through its employees) for the Project, HCSD shall be responsible to pay to SISD, directly or through grant disbursements from AEA, SISD's aggregate "fully-loaded" cost of these employees, including wages, benefits (including, without limitation, workers compensation, health insurance, retirement, and other similar benefits, if any), and state and local withholding taxes, and any other additional payments required under either applicable law or policy or agreement. HCSD shall pay SISD for 100% of such fully-loaded costs relating to SISD employees who work only

on the Project, and shall pay a percentage of such fully-loaded costs relating to SISD employees who split their time between the Project and SISD, which percentage shall be based on the hours worked on the Project compared to total hours worked by all such employees. In addition, HCSD shall also be responsible to pay to SISD, directly or through grant disbursements from AEA, approved housing and travel costs of SISD employees for travel to Project meetings and travel related to handling Project materials.

4. In the event the AEA funding is insufficient to cover the entire cost of the Project, HCSD shall be responsible to pay any Project costs not covered by the current AEA grant, directly or through securing additional funding sources, including those costs incurred and charged by SISD for the Project.
5. SISD shall submit invoices directly to AEA for SISD's Project costs and expenditures, along with appropriate back-up documentation, on a quarterly or monthly basis. Payment shall be due within 30 days of invoice. SISD shall be entitled to be paid directly out of the grant funding from AEA.
6. The term of the cooperative services agreement shall be for fiscal year (FY) 2019 (July 1, 2018 to June 30, 2019) or until successful completion of the Project. Either party shall have the right to terminate the agreement on 45 days written notice to the other party's Superintendent. In the event of such termination, SISD shall be entitled to payment for all services provided through the date of termination, and the parties shall assist each other in the transition out of the agreement.

Motion Made By: \_\_\_\_\_

Motion Seconded By: \_\_\_\_\_

Vote on Motion:	<u>Name</u>	<u>yes</u>	<u>no</u>
	Heidi Young		
	Shannon Silverthorn		
	Molly Kimzey		
	Marjorie Meyer		
	Joshua Hills		

Status of Motion: \_\_\_\_\_

Attest:

\_\_\_\_\_  
HEIDI YOUNG  
President, SISD Board of Education

\_\_\_\_\_  
Date