

**AGREEMENT**  
**School Years 2026-27 and 2027-28**

**THIS AGREEMENT**, made and entered into this 24<sup>th</sup> day of April, 2026, by and between Independent School District #709, a public corporation, (hereinafter called the "District") and Arrowhead Regional Corrections/ Arrowhead Juvenile Center, an independent contractor, (hereinafter called "Contractor".)

**THE PURPOSE OF THE AGREEMENT** is to set out the terms and conditions whereby District will provide programs or services for the Contractor at the times and locations set forth in this Agreement.

The terms and conditions of this Agreement are as follows:

**1. Dates of Service.**

This Agreement shall be deemed to be effective as of July 1<sup>st</sup>, 2026, and shall remain in effect until July 30<sup>th</sup> 2028, unless terminated earlier as provided for herein, or unless and until all obligations set forth in this Agreement have been satisfactorily fulfilled, whichever occurs first.

**2. Performance.**

**The District will provide the following services:**

- a) Educational screenings will be done on all juveniles held longer than 72 hours excluding weekends and Holidays and periods when schools is not in session using the educational screening tool identified by the District, unless the juvenile has a current individual education plan and a copy is in the AJC client's file. (2960 Rule: 125A52 DHS and DOC Education Screening).
- b) Education programs and services will be provided to AJC residents that are consistent with Department of Education rules and statutory requirements governing education of a resident. If it is suspected that a resident has a disability, an educational evaluation must be conducted according to applicable rules to determine if the resident has a disability. Staff will ensure that the appropriate evaluation is completed and will assist a student who has disabilities and needs special education and related services to obtain those services. (2960.0270 Subp. 7.)
- c) Educational services will be provided to residents according to items i-ii, except where not applicable, due to the age of the resident or the resident's short stay in the facility. (2960.0080 Subp. 9.)
  - i) Facilitate educational programs that provide for instruction during the same school calendar established for the other schools in the District, if required by law; get the approval of the education services from the Department of Education
  - ii) Facilitate the resident's school attendance and homework activities.

- d) The District will work with the Contractor to provide transitional programming to ensure a smooth transition back to their home school per the IEP or regular education plan.
- e) The District will work with the Contractor to provide education about chemical health to the resident who has had a problem related to inappropriate chemical use, but who does not have a sufficient chemical use history to refer to treatment. The education must provide the resident with opportunities to examine the problems associated with inappropriate chemical use.

**The Contractor will:**

- a) Meet the physical plant and equipment requirements of the Department of Education for the provision of educational services.
- b) Cooperate with the District to provide the educational services at AJC and provide correctional services as needed to ensure safety for District staff within the facility.
- c) The Contractor will inquire at least every 90 days to determine whether the resident is receiving the education required by law and the resident's individual education plan that is necessary for the resident to make progress in the appropriate grade level. AJC will report the resident's educational progress to the case manager or placing agency. The contractor will facilitate education for any residents who have already graduated.

**3. Background Check.**

The Contractor follows the Department of Corrections and Department of Public Health license rules and does criminal record checks on all employees before they can be hired and work directly with any residents. The District is responsible for following license requirements as required by the Minnesota Department of Education and Minnesota statutes. Both the Contractor and District are precluded from performance of contract until the results of the criminal background check(s) are on file.

**4. Reimbursement.**

The District will provide services to residents of District #709 who are at AJC and bill for residents of Minnesota school districts for reimbursement at the current rate established by ISD #709 in accordance with current state statutes. For out of state school districts, AJC will reimburse the District at the current rate established by ISD #709 in accordance with current state statutes and will bill out of state counties for educational services provided to youth in AJC for more than 72 hours, excluding weekends and holidays. AJC's contracts with out of state counties will specify that the counties will be responsible for educational costs for youth residing at AJC longer than 72 hours.

**5. Requests for Reimbursement.** The terms of payment under this Agreement are as follows:

- a. There is no exchange of money from the District to AJC. The District bills directly to other districts for payment back to the District.

b. Any other terms of payment in the performance of services are incorporated by reference in this Agreement.

#### **6. Propriety of Expenses.**

The fact that the District has reimbursed Contractor for any expense claimed by Contractor shall not preclude District from questioning the propriety of any such item. This clause shall not be construed to bar any other legal remedies District may have to recover funds expended by Contractor for disallowed costs.

#### **7. Ownership of Materials.**

The District reserves the rights to reproduce the programming in any fashion, or appropriate the contents of the programming, or any portion thereof, to its own use for any and all programs, forms and other materials that the District has provided, prepared, or utilized in performance of the terms of this Agreement.

#### **8. Independent Contractor.**

Both the District and Contractor agree that they will act as an independent contractor in the performance of its duties under this Agreement. Nothing contained in this Agreement shall be construed as in any manner creating a relationship of joint venture between the parties, which shall remain independent contractors with respect to all actions performed pursuant to this Agreement.

Accordingly, Contractor shall be responsible for payment of all taxes, including Federal, State, and local taxes, arising out of Contractor's activities in accordance with this Agreement, including by way of illustration, but not limited to, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, workers compensations, and any other taxes or business license fees as required.

#### **9. Indemnity and defense of the District.**

Contractor hereby agrees to defend, indemnify and hold the District harmless from all claims relating to its work pursuant to this Agreement. In the event that Contractor breaches its obligation to defend, indemnify and hold the District harmless, then in addition to its other damages the District shall be entitled to recover its attorney's fees and costs and disbursements incurred in enforcing this Agreement.

The District hereby agrees to defend, indemnify and hold the Contractor harmless from all claims relating to its work pursuant to this Agreement. In the event that the District breaches its obligation to defend, indemnify and hold the Contractor harmless, then in addition to its other damages the Contractor shall be entitled to recover its attorney's fees and costs and disbursements incurred in enforcing this Agreement.

## **10. Notices.**

All notices to the District shall be sent in writing to Director of Business Services, ISD 709, Duluth Public Schools, 709 Portia Johnson Drive, Duluth MN 55811. All notices to Contractor shall be sent in writing to Superintendent, Arrowhead Juvenile Center, 1918 Arlington Avenue North, Duluth, MN 55811.

## **11. Assignment.**

Contractor shall in any way assign or transfer any of its rights, interests or obligations under this Agreement in any way whatsoever without the prior written approval of the District.

## **12. Modification or Amendment.**

No amendment, change or modification of this Agreement shall be valid unless it is in writing and signed by the parties' hereto.

## **13. Governing Laws.**

This Agreement, together with all its paragraphs, terms and provisions is made in the State of Minnesota and shall be construed and interpreted in accordance with the laws of the State of Minnesota.

## **14. Entire Agreement.**

This Agreement contains the entire understanding of the parties hereto with respect to the subject matter hereof and shall not be changed or otherwise altered except by written agreement of the parties.

## **15. Cancellation.**

Either party shall have the right to terminate this Agreement, without cause, upon (30) days written notice to the other party as provided for in this Agreement.

## **16. Data Practices.**

Contractor and District further understand and agree that they shall be bound by the Minnesota Government Data Practices Act (Minnesota Statutes 13.03-13.04) with respect to "data on individuals"; as defined in 13.02, subd. 5 of that Statute) which it collects, receives, stores, uses, creates or disseminates pursuant to this Agreement.

## **17. Insurance.**

Contractor shall not commence work under the contract until they have obtained all the insurance described below and Duluth Public Schools has approved such insurance. Contractor shall maintain such insurance in force and effect throughout the term of the contract.

Contractor is required to maintain and furnish satisfactory evidence of the following insurance policies:

The following insurance must be maintained for the duration of this contract. A Certificate of Insurance for each policy must be on file with AJC within 10 days of execution of this contract and prior to commencement of any work under this contract. Each certificate must include a 10 day notice of cancellation, non-renewal, or material change to all named and additional insureds.

AJC reserves the right to rescind any contract not in compliance with these requirements and retains all rights thereafter to pursue any legal remedies against ISD 709. All insurance policies shall be open to inspection by AJC, and copies of policies shall be submitted to AJC upon written request. All subcontractors shall provide evidence of similar coverage.

A. General Liability Insurance.

1. \$500,000 for claims for wrongful death and each claimant for other claims.  
\$1,500,000 Each Occurrence.  
No Less Than \$2,000,000 Aggregate coverage.
2. Policy shall include leased remises, operations, completed operations, independent contractors and subcontractors, and contractual liability and environmental liability.
3. AJC must be named as additional insured.

B. Business Automobile Liability Insurance.

1. \$500,000 Each person;
2. \$1,500,000 Each Occurrence.
3. Must cover owned, leased, or rented vehicles


**18. Workers Compensation Insurance:** per statutory requirements.

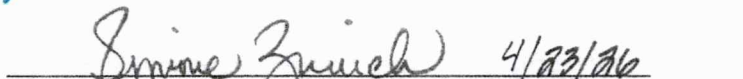
Contractor must provide Worker's Compensation insurance for all its employees and, in case any work is subcontracted, Contractor will require the subcontractor to provide Workers' Compensation insurance in accordance with the statutory requirements of the State of Minnesota including Coverage B, Employer's Liability.

**REMAINDER OF PAGE LEFT BLANK INTENTIONALLY**

**AS EVIDENCE OF THEIR ASSENT TO THE TERMS AND CONDITIONS OF THIS AGREEMENT**, set forth above, the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

**INDEPENDENT SCHOOL DISTRICT NO. 709**

  
\_\_\_\_\_  
Jacob Hintsala, Program Director

  
\_\_\_\_\_  
Simone Zurich, Exec. Dir. Of Finance & Business Services

**ARROWHEAD REGIONAL CORRECTIONS (ARC)  
ARROWHEAD JUVENILE CENTER (AJC)**

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Wendy Skottegard-Burke, AJC Division Director

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Becky Pogatchnik, ARC Executive Director

**APPROVED AS TO FORM & EXECUTION**

\_\_\_\_\_  
Assistant St. Louis County Attorney

**Damion Number:**