

A CONTRACTUAL AGREEMENT FOR PARTICIPATION AND OPERATION

OF A

STUDENT TRANSPORTATION COOPERATIVE

This agreement, by and between Granite Falls School District and Lake Stevens School District, both of Snohomish County, State of Washington (each hereinafter referred to as "Cooperative Districts") provides for the establishment and implementation of a cooperative transportation program.

It is agreed by and between the cooperative districts hereto as follows:

1. Establishment. A Cooperative Transportation Program is established to provide safe, economical transportation of all public school students residing within the boundaries of each cooperative district and to facilitate improved services while avoiding unnecessary duplication of supervisory and technical staff. It is further desired to provide flexibility in operation which will facilitate rapid program adjustments and meet emergency or special needs as they arise.
2. Term. The term of this agreement shall begin September 1, 2015 and thereafter be on a fiscal year basis beginning each September 1, to be renewed annually subject to the provisions for withdrawal herein contained.
3. Location. The Transportation Program will be conducted at the site or sites agreed to by the cooperative districts.
4. Capital Investment. Capital Investment is to be defined as the building. The ownership and responsibility for maintenance and operation of the building shall be shared by the cooperative districts as outlined in Exhibit B. The land is owned by Lake Stevens School District and maintenance of land/site shall follow section 12.

It is hereby mutually agreed that the Lake Stevens School District will provide the necessary building facilities in

accordance with financing procedures described in the following "Capital Investment Plan" defined in Exhibit A.

5. Administration. It is agreed that there shall be an administrative council to be known as the Granite Falls/Lake Stevens Transportation Cooperative Administrative Council ("Council") which shall consist of the superintendents and their designees of the Granite Falls and Lake Stevens School District. This Council may delegate the responsibilities of planning and formulating procedures to staff committees. The Council will meet annually to review the overall operation of the cooperative, the collective bargaining agreement, the overhead costs, the percent to be charged to each district and other issues that may arise. It is agreed that the administration of the program shall be vested in the district housing the cooperative facility, who shall be charged with the responsibility of conducting the transportation program according to policies adopted by the Board of Directors of both cooperative districts party hereto. The building facilities shall be under the supervision of and be maintained by the Lake Stevens School District.

6. Budget. The operator district shall prepare a preliminary budget covering the proposed operation and financing for submission to the cooperative districts by June 1. If the legislature has not adopted the state budget by May 15, then this deadline shall be extended to July 1. The budget shall show projected expenditures.

7. Equipment. Participating districts may, upon approval by the Granite Falls/Lake Stevens Transportation Cooperative Administrative Council, provide approved equipment for the Transportation Program initially to establish the program and be credited for value in accordance with formula adopted by the cooperative districts. Thereafter and as it becomes necessary, equipment may be purchased to replace, supplement or add to the facilities available. Such purchase will be on a prorated cost basis as provided in Paragraph 9 of this agreement and shall become the property of the Transportation Program, managed by the Operator, and no equipment will be removed from the transportation facilities without the consent of both cooperative districts. A complete capital facilities inventory

will be available upon request. It is further agreed that from time to time participating district may loan or lease equipment to the program upon such terms and conditions as may be mutually agreed upon.

8. Mediation. It is mutually agreed hereby that whenever an issue arises between cooperative districts concerning the operation of the Transportation Program, it shall be resolved in accordance with the following procedure:

The matter shall first be presented to the Transportation Administrative Council. In the event of failure to agree at that level, the matter shall be submitted to the Boards of Directors of all school district party to this agreement. In the event that there is still no agreement at this level, a conference committee shall be established to resolve the issue. This conference committee shall consist of one member appointed by each of the cooperative boards and a member appointed by the Superintendent of Public Instruction. The recommendations of this committee shall be binding upon both cooperative districts.

9. Proration of Cost. Cost of operation of the Transportation Program shall be prorated among cooperative districts party hereto on current data according to percentage of participation in the program as compared to the total program. Procedures for computing the contribution of each participating district shall be adopted by the Transportation Administrative Council and reviewed annually. See Exhibit B for the factors that are considered for the proration of cost.

- a. Cost of Operation. Cost of operation is hereby defined to mean the total cost of operating the Transportation Program specifically excluding Capital Investments.
- b. Adjustment. To create stability in the rates, if the prorated percentage has changed by 3% or more, either way of the current rate, the rate must be adjusted.
- c. Billing. The Lake Stevens School District shall invoice the cooperative district monthly.

10. Withdrawal. It is hereby agreed that neither cooperative district may withdraw from the program unless there is written mutual approval of the cooperative districts and the Office of Superintendent of Public Instruction. In the event that a district desires to withdraw from a program, such district desiring withdrawal shall give notice in writing to all districts no later than October 1 of the fiscal year preceding withdrawal and if approved by the other cooperative district and the Office of Superintendent of Public Instruction, the withdrawal shall become effective on September 1 of the next succeeding fiscal year. If the withdrawal of a cooperative district is approved and becomes effective, a current fair market analysis for the building will be completed to establish the value for the ten (10) year buyout.

a. Lake Stevens School District will pay Granite Falls School District thirty-four (34%) percent of the fair market value of the building in annual installments over the next ten (10) years.

Any reimbursements by the remaining district shall be in the same relative proportion of the total reimbursement as their original capital investment of local funds toward the financing of the project. Land improvements and external equipment purchased for the Transportation Program shall remain the property of the program and costs of such improvements and equipment shall not be included in the computation of reimbursements to a withdrawing district.

11. Gifts. The Transportation Program may receive gifts of cash, equipment, or services from any source whatsoever.

12. Site. The site belongs to Lake Stevens School District and preparation and maintenance of the site shall be the sole expense of the operating district.

13. Amendment. This agreement may be amended by mutual agreement to all district parties hereto.

IN WITNESS WHEREOF, the parties have hereunto set their hands.

GRANITE FALLS SCHOOL DISTRICT NO. 332 of
Snohomish County

Superintendent

LAKE STEVENS SCHOOL DISTRICT NO. 4 of
Snohomish County

Superintendent

EXHIBIT A Capital Investment

DISTRICT	% Originally Invested
Granite Falls School District No. 332	<u>34%</u>
Lake Stevens School District No. 4	<u>66%</u>
TOTAL:	<u>100%</u>

EXHIBIT B Proration Factors and Formula

LSSD/GFSD Student Transportation Cooperative
 Factors to consider for overhead percent
 May 26, 2015

	Granite Falls	Lake Stevens	Total
To/From (13/14)	234,645	733,495	968,140
Field Trip (13/14)	1,805	14,136	15,941
Extra-Curr (13/14)	8,499	12,179	20,678
Total (13/14)	244,949	759,810	1,004,759
Percentage Split	24.4%	75.6%	
Route Buses (13-14)	17	54	71
Percentage Split	23.9%	76.1%	
Drivers (14-15)	21	59	80
Percentage Split	26.3%	73.8%	
Transported Students			
Fall (13-14)	1,639	8,419	10,058
Winter (13-14)	1,485	8,086	9,571
Spring (13-14)	1,441	7,684	9,125
Total (13-14)	1,522	8,063	9,585
Percentage Split	15.9%	84.1%	
Average % all factors	22.6%	77.4%	
Weighted %	23.4%	76.6%	

Note: 82 - 2 on leave

No weight applied – Not used.

Double weight on routes and drivers.

Justification: Routing and driver management is where the majority of the overhead time is spent regardless of the number of miles driven and the number of students transported. Used this factor.

Source: Transportation Supervisor