

INTERGOVERNMENTAL AGREEMENT  
BETWEEN  
MORRISTOWN ELEMENTARY SCHOOL DISTRICT NO. 75  
AND  
NADABURG UNIFIED SCHOOL DISTRICT NO. 81

**INTRODUCTION**

This is an Intergovernmental Agreement between the Morristown Elementary School District No. 75 (“Morristown” or “MESD”) and the Nadaburg Unified School District No. 81 (“Nadaburg” or “NUSD”).

WHEREAS, Nadaburg and Morristown would like to make an Agreement whereby Nadaburg provides maintenance and repair services and fuel for all Morristown owned student transportation vehicles, driver training for all Morristown student transportation vehicle drivers, leasing of NUSD transportation vehicles as needed, and substitute bus drivers; and

WHEREAS, Nadaburg has facilities, equipment, and personnel available to service and maintain student transportation vehicles, provide employee training, provide lease of school buses and substitute bus drivers as needed; and

WHEREAS, the parties intend for this Agreement to serve as an Intergovernmental Agreement (“IGA”) as authorized by A.R.S. §11-952 and A.R.S. §15-342(13);

**THE PARTIES AGREE AS FOLLOWS:**

**1. Term of the Agreement.**

This Agreement shall commence on July 1, 2020, and continue through June 30, 2021, unless terminated earlier as provided in this Agreement.

**2. Maintenance Services.**

Nadaburg agrees to provide maintenance services, including both routine maintenance and repairs as needed, for all student transportation vehicles owned by Morristown. The student transportation vehicles from Morristown shall include approximately four (4) student transportation vehicles, including eighty-four (84) passenger school buses, special education bus, activity bus, and others.

**3. Fuel**

Nadaburg agrees to provide fuel to Morristown transportation vehicles. MESD agrees to reimburse NUSD the actual cost of the fuel plus a 1.00 % administration fee.

#### **4. Maintenance Expenses.**

As additional consideration for the maintenance of MESD owned vehicles by Nadaburg, MESD shall pay NUSD for actual costs of parts and supplies including but not limited to oil, tires, and vehicle parts for vehicles owned by MESD. MESD agrees to pay NUSD \$35.00 per hour for labor incurred for the maintenance of MESD owned vehicles. MESD agrees to reimburse NUSD for overtime salary and benefits and mileage associated with the NUSD supervising mechanic for roadside assistance on MESD vehicles outside normal working hours. MESD agrees to reimburse NUSD for a maintenance shop overhead fee. The overhead fee shall include the following items:

1. Replacement tools to be prorated to MESD. Should the agreement be terminated prior to June 30, 2021, MESD will be reimbursed by NUSD the prorated amount of the tools, less any applicable prorated depreciation.
2. Business Office fee for processing of invoices, annual amount of \$200.
3. Transportation Director for oversight of IGA and additional record keeping duties, annual amount of \$1,000.

Calculation of the overhead fee will be actual expense for items purchased by NUSD and pro-rated based upon the number of vehicles owned by each district. A detail of the pro-rated fee will be an attachment to the invoice. Invoices will be submitted on a quarterly basis by the 15<sup>th</sup> of the month, following the quarter end. Payment will be due 20 days thereafter.

#### **5. Scheduling of Maintenance.**

The parties agree that scheduling shall be discussed by designated district representatives and a tentative plan for regular routine maintenance for vehicles will be developed and agreed upon before any maintenance is performed. Scheduling for repairs shall be granted priority over routine maintenance as needed to allow transport of school students for regular school attendance.

#### **6. Employee Training**

Nadaburg agrees to provide employee training for all Morristown student transportation vehicle drivers and related personnel. MESD agrees to reimburse NESD the rate of \$50 per participant for each training provided to cover personnel costs, supplies, and materials related to the training.

**7. Lease of School Buses**

- A. Permitting availability, and at the request of MESD, NUSD may lease school buses to MESD for the purposes described in this Agreement.
- B. The vehicles will be available to MESD for student transportation to and from school on all days that school is in session for MESD.
- C. The vehicles made available to MESD will be in good working condition and meet all applicable legal requirements under state or federal law for school buses.
- D. NUSD will supply fuel, parts, tires, or other supplies as needed for maintenance and repair. MESD will hire transportation drivers who will use the leased vehicles for transport of students to and from school.
- E. A driver who is a MESD employee will pick up the bus from its location at NUSD, transport MESD students from their designated bus stop to Morristown Elementary School, return students to their designated bus stop after classes are over at MESD, and leave the bus in the designated parking or maintenance area on school nights or when not in use by MESD.
- F. MESD will pay Nadaburg one hundred thirty dollars (\$150.00) per school day which will constitute full payment for the rental and full payment for fuel, parts, supplies, maintenance and overhead related to the lease of the buses.
- G. This amount shall be payable on a quarterly basis, upon receipt of an invoice from Nadaburg.

**8. Substitute Transportation Drivers**

- a. Permitting availability, and at the request of MESD, NUSD may provide substitute certified bus drivers to operate MESD routes. NUSD will compensate its bus drivers at their normal hourly rate for operating the MESD routes and invoice MESD for reimbursement of the salary and benefits.

**9. Transporting Special Education Students**

- a. Permitting availability of drivers and student transportation vehicles, and at the request of MESD, NUSD may transport MESD special education students to private facilities.
- b. MESD will pay Nadaburg \$2.00 per each mile as a rental rate for fuel, parts, supplies, and maintenance and reimburse NUSD for any additional staff costs attributable to MESD students.

**10. Insurance.**

Both parties agree to maintain throughout this Agreement policies of liability and other insurance as necessary and appropriate to protect the parties, their employees, agents, and contractors against any injury or damage stemming from actions pursuant to this Agreement. Each party shall be responsible for its own negligence. Because MESD will continue to own the student transportation vehicles that are the subject of this Agreement, MESD will continue to be responsible for insuring these vehicles.

**11. Retention and Inspection of Records.**

The parties shall retain, and shall contractually require each subcontractor to retain, all books, accounts, reports, files and other records relating to the performance of the Agreement for a period of five (5) years after the completion of the Agreement and to make such documents open to inspection and audit at reasonable times.

**12. Nondiscrimination.**

The parties agree not to discriminate against any employee or applicant for employment, any student, any parent or guardian, any contractor or any member of the general public dealing with the parties because of sex, race, religion, color, national origin, age, disability, or political affiliation in violation of federal or state law or executive orders.

**13. Dispute Resolution.**

The parties agree to meet in good faith to seek a mutually acceptable solution to any disputes which may arise under this Agreement. Any disputes not resolved by good faith negotiation shall be submitted to mediation with a trained mediator before either party may file a claim for breach of this Agreement.

**14. Worker’s Compensation.**

An employee of either party shall be deemed to be an “employee” of both public agencies while performing pursuant to this IGA, for purposes of A.R.S. §23-1022 and the Arizona Worker’s Compensation laws. Each party shall post a notice pursuant to the provisions of A.R.S. §23-906 in substantially the following form:

“All employees are hereby further notified that they may be required to work under the jurisdiction or control or within the jurisdictional boundaries of another public agency pursuant to an intergovernmental agreement of Contract, and under such circumstances they are deemed by the laws of Arizona to be employees of both public agencies for the purposes of workers’ compensation.”

**15. Cancellation.**

This Agreement is subject to cancellation pursuant to A.R.S. §38-511.

**16. Termination.**

Either party may terminate this Agreement for any reason at the end of any school year upon written notice to the other party at least one semester prior to the expiration of the school year in question. Alternatively, the Agreement may be terminated for material breach if a prompt meeting to discuss the issue is unsuccessful in resolving the matter and the terminating party sends thirty (30) days written notice to the other. Any termination for material breach shall be

subject to mediation as provided in this Agreement.

At the time of termination of the Agreement, each party shall invoice and pay the other for all services, rents and other costs agreed to be paid on a pro-rated basis, if not already paid. Upon termination, all invoices shall be paid within thirty (30) days after receipt.

**17. Disposition of Property.**

To the extent necessary, any property acquired or utilized pursuant to this Agreement shall be returned to the original owner upon the termination of the Agreement.

**18. Compliance with Laws.**

Both parties agree to comply with all applicable federal, state and local laws governing their obligations under this Agreement. The parties specifically acknowledge and agree to fingerprinting and E-verify requirements set forth in A.R.S. §41-4401, §23-214, §15-512 and §15-534 and the federal Immigration and Nationality Act, all of which are incorporated by reference in this Agreement.

**19. E-Verify.**

Each party warrants to the other that it is in compliance with all Arizona and Federal Immigration laws and regulations that relate to its employees and with the E-Verify Program under A.R.S. § 23-214(A). Each party acknowledges that its breach of this assurance is a material breach of this Agreement. Each party retains the legal right to inspect the papers of any employee of the other or any independent contractor who works on this Agreement to ensure compliance with this section.

**20. Amendments.**

Any amendments to this Agreement shall be in writing signed by the parties.

**21. No Boycott of Israel.**

The parties hereby warrant and represent to each other that they are not currently engaged in, nor will they during the duration of this Agreement, engage in a boycott of Israel as proscribed by A.R.S. § 35-393.01 et seq.

**22. Counsel's Review and Approval.**

Nadaburg and MESD will consult their attorneys for the purposes of reviewing and approving this Agreement. Both parties waive any and all conflicts of interest arising out of possible joint representation of Nadaburg and MESD in reviewing and approving this Agreement. If a future dispute relating to this Agreement arises between the parties, the shared attorney may not represent either party, and both parties shall retain separate counsel. The parties acknowledge that if they are required to engage separate counsel, the expense and

inconvenience of the engagement may exceed that of having engaged their own separate counsel from the beginning.

**23. Arizona law.**

Any litigation arising out of this Agreement shall be brought in the courts of the State of Arizona, and the laws of Arizona shall apply.

**24. Notice.**

All notices, requests, demands and other communications required by this Agreement shall be in writing and delivered to if to NUSD:

Kerre Laabs  
Director of Business Services & Human Resources  
32919 Center Street  
Wittmann, AZ 85361

If to MESD:

Gregory Sackos  
Superintendent  
P.O. Box 98  
Morristown, AZ 85342

The parties have executed this Agreement as set forth below.

MORRISTOWN ELEMENTARY  
SCHOOL DISTRICT NO. 75

NADABURG UNIFIED SCHOOL  
DISTRICT NO. 81

By: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Approved as to Form:

GUST ROSENFELD



\_\_\_\_\_  
Attorney for Morristown Elementary  
School District No. 75

\_\_\_\_\_  
Attorney for Nadaburg Unified  
School District No. 81

Date: \_\_\_\_\_

Date: April 13, 2020