

**MEMORANDUM OF UNDERSTANDING
BETWEEN
SACRAMENTO CITY UNIFIED SCHOOL DISTRICT
AND
CALIFORNIA MONTESSORI PROJECT
REGARDING
FACILITIES MODERNIZATION PROJECT**

This Memorandum of Understanding ("MOU") is entered into as of [Date] ("effective date"), by and between Sacramento City Unified School, ("District"), a California Public School District, and California Montessori Project, a California Nonprofit Public Benefit Corporation ("Charter School"), the manager of the California Montessori Project - Capitol Campus ("Charter School"). District and Charter School are referred to singularly as "Party" or collectively as "Parties."

RECITALS

WHEREAS, the District owns the previously named Thomas Jefferson Elementary School located at 2635 Chestnut Hill Drive in the City of Sacramento ("Facility");

WHEREAS, the District and Charter School entered into a Facility Use Agreement ("FUA") for the term July 1, 2024, to June 30, 2027, which became effective on May 16, 2024.

WHEREAS, the Charter School has leased the Facility from the District for more than a decade for the operating a Charter school;

WHEREAS, the District and the Charter School desire to undertake a facility improvement project ("Project") located at 2635 Chestnut Hill Drive, Sacramento, CA, 95832, which will improve the educational infrastructure for the benefit of the Charter School and the District;

WHEREAS, the Charter School has secured a Five Million and 00/100 Dollar (\$5,000,000) grant ("Grant") from the Charter School Facilities Grant Program to be applied towards the total cost of the Project;

WHEREAS, the Grant is contingent upon a local match of the full Grant amount;

WHEREAS, the District agrees to match the Grant with an amount of Five Million and 00/100 Dollars (\$5,000,000), and the Charter School agrees to provide any funding needed if the total Project budget exceeds \$10,000,000; and

WHEREAS, the District and Charter School agree that the District will carry out the project and the work will be performed by a contractor of the District's choosing in compliance with the Public Contract and Labor Codes; the work will be completed within the timeframe allowed pursuant to School Facility Program Regulation Sections 1859.105, 1859.166, and 1859.167 and as stipulated in the contract documents; and, the work will be completed with Charter School Facilities Program, Charter School, and local District matching funds as outlined herein.

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties agree as follows:

AGREEMENT

1. Project Description.

- 1.1 Scope of the Project.** The Project will include the design, construction, and necessary improvements to buildings, classrooms, and grounds of the Facility, including, but not limited to, carpet, paint, and other deferred maintenance needs to prolong the life of the Facility.
- 1.2 Project Budget.** The total budget for the Project shall be Ten Million and 00/100 Dollars (\$10,000,000), comprising:
 - 1.2.1** Five Million and 00/100 Dollars (\$5,000,000) from the Grant;
 - 1.2.2** Five Million and 00/100 Dollars (\$5,000,000) from the District as a matching contribution;
 - 1.2.3** Any total Project costs that exceed Ten Million and 00/100 Dollars (\$10,000,000) shall be paid for, in full, by the Charter School.
- 1.3 Cost Allocation.** The total budget will be divided as follows:
 - 1.3.1** Twenty-five percent (25%) allocated for soft costs, which include, but not limited to, District oversight, architectural and engineering fees, permits, inspections, legal services, California Environmental Quality Act compliance, and other related expenses;
 - 1.3.2** Seventy-five percent (75%) allocated for construction costs, including labor, materials, and construction management.

2. Funding.

- 2.1 Grant Administration.** The Grant funds will be administered by the Charter School and shall be used exclusively for Project expenses. All expenditures must comply with the terms and conditions of the Grant.
- 2.2 District Matching Funds.** The District will allocate the amount of funds outlined in Article 1.2. These funds shall be administered in accordance with the State of California laws and regulations as well as District policies. District matching funds must be expended only on approved Project-related expenses that will address deferred maintenance needs at the site.
- 2.3 Charter School Matching Funds.** The Charter School will allocate the amount of funds outlined in Article 1.2. These funds must be deposited into a designated Project account managed by the District. The Charter School will be provided with regular reports on the use of these funds.

3. Project Management and Responsibilities.

- 3.1 District as Project Manager.** The District will manage the Project, overseeing the design, bidding, construction, and completion phases. The District will be responsible for all Project contracts, compliance with applicable laws, and ensuring that construction adheres to agreed-upon specifications.

3.1.1 District will provide regular meeting times and updates to the Charter School, including but not limited to design input and updates, cost estimating and budget reports, construction progress, and any potential delays or changes to the Project scope and timeline.

3.2 Design and Approval. The design phase will involve consultation with the Charter School to ensure that the Project meets the educational and functional needs of the Charter School. Final design approval will rest with the District, subject to input from the Charter School.

4. Deadlines and Expenditure of Funds.

4.1 Project Timeline. The Parties agree to the following milestones and deadlines:

4.1.1 Estimated Division of State Architect Approval of Design Documents: December 2025

4.1.2 Estimated Board Approval of Construction Contract: March 2026

4.1.3 Estimated Construction Completion: October 2026

4.2 Expenditure Deadline. All funds, including Grant, District Matching funds, and Charter School matching funds, must be fully expended by December 31, 2027. Any unspent funds after this date will be subject to reallocation or return in accordance with applicable laws and regulations.

5. General Provisions.

5.1 Compliance with Laws. The Parties shall comply with all federal, state, and local laws and regulations governing the Project, including but not limited to labor laws, building codes, and environmental regulations.

5.2 Hold Harmless/Indemnification. To the fullest extent permitted by California law, Charter School shall defend, indemnify, and hold harmless District, its Board of Education and members, its agents, representatives, officers, consultants, employees, trustees, and volunteers (the "Indemnified Parties") from any and all losses, liabilities, claims, suits, damages, expenses, costs, recourses, penalties, fines, liabilities, and actions of any kind, nature, and description, including, but not limited to, attorneys' fees and costs, directly or indirectly arising out of, connected with, or resulting from the performance of this Agreement, Charter School's use of or presence in, on, or about the Premises or Property, or from any activity, work, or thing done, permitted, or suffered by Charter School, and their respective employees, volunteers, participants, partners, officers, students, clients, members, agents, contractors, customers, guests, attendees, invitees, staff, representatives, servants, concessionaires, invitees, or visitors in conjunction with the performance of this Agreement, including, but not limited to, personal or bodily injuries, illnesses, infectious diseases or bacterial or viral infections, death, property damage, theft or loss, or any non-compliance with any federal, state, or local laws, orders, regulations, or health and safety guidelines and unless caused wholly by the sole negligence or willful misconduct of the Indemnified Parties; and in case any action or proceeding be brought against District or the

Indemnified Parties, Charter School, upon notice from District, shall defend the same at Charter School's expense by counsel selected and approved in writing by District.

- 5.3 California Law.** This Agreement shall be governed by and the rights, duties and obligations of the Parties shall be determined and enforced in accordance with the laws of the State of California. The Parties further agree that any action or proceeding brought to enforce the terms and conditions of this Agreement shall be maintained in the County of Sacramento, California. Tenant shall include this provision in any and all written sublease agreements between Tenant and its sublessees.
- 6. Entire Agreement of Parties.** This Agreement constitutes the entire agreement between the Parties in regard to Tenant's use of the Premises for operation of its Program and supersedes all prior discussions, negotiations and agreements, whether oral or written pertaining to Tenant's use of the Premises. This Agreement may be amended or modified only by a written instrument executed by both Parties.
- 7. Severability.** Should any provision of this Agreement be determined to be invalid, illegal or unenforceable in any respect, such provision shall be severed and the remaining provisions shall continue as valid, legal and enforceable.
- 8. Attorneys' Fees.** In the event of any dispute under this Agreement, or the default by any Party of that Party's obligations hereunder, then the prevailing Party shall be entitled to recover, in addition to all other sums which may be due under the terms of this Agreement, all costs of suit, including reasonable attorneys' fees.
- 9. Waiver.** The waiver by either Party of any breach of any term, covenant, or condition herein contained shall not be deemed to be a waiver of such term, covenant, condition, or any subsequent breach of the same or any other term, covenant, or condition herein contained.
- 10. Successors and Assigns.** This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors, and assigns.
- 11. Incorporation of Recitals and Exhibits.** The Recitals and each Exhibit attached hereto are hereby incorporated herein by reference and made part of this Agreement.
- 12. Counterparts.** This Agreement and all amendments, addendums and supplements to it may be executed in counterparts and transmitted by facsimile, and all counterparts together, whether original or facsimile, shall be construed as one document.
- 13. Authority.** Each person signing this Agreement represents and warrants that he/she is duly authorized and has legal capacity to execute this Agreement. Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations hereunder have been duly authorized, and this Agreement is valid and a legal agreement binding on such Party and is enforceable in accordance with its terms.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date above first written.

ACCEPTED AND AGREED:

DISTRICT:

SACRAMENTO CITY UNIFIED SCHOOL DISTRICT,
a California Public School District

By: _____

Janea Marking,
Chief Business and Operations Officer

TENANT:

CALIFORNIA MONTESSORI PROJECT
a California Nonprofit Public Benefit
Organization, 501c3.

By: _____

Title: _____