INTERLOCAL AGREEMENT
BETHEL SCHOOL DISTRICT AND
PUYALLUP SCHOOL DISTRICT

RE: NACHES TRAIL ELEMENTARY SCHOOL

THIS AGREEMENT is by and between Bethel School District No. 403 ("BSD"), a political subdivision of the State of Washington, and Puyallup School District No. 3 ("PSD"), a political subdivision of the State of Washington, referred to individually as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, the Interlocal Cooperation Act, as amended, and codified in Chapter 39.34 of the Revised Code of Washington ("RCW"), provides for interlocal cooperation between governmental agencies; and

WHEREAS, RCW 28A.335.160 provides authority for school districts to cooperate with one or more school districts in the joint operating of any educational facility otherwise authorized by law; and

WHEREAS, BSD owns certain real property commonly known as Naches Trail Elementary School (the "School Site") which is further described in Exhibit A attached hereto; and

WHEREAS, the School Site is not currently used for onsite student educational purposes by BSD; and

WHEREAS, PSD has a need for temporary classroom space during the 2026/27 school year, while retaining flexibility regarding the duration of such occupancy, to provide educational services to students from Ferrucci Junior High; and

WHEREAS, BSD has determined that the payment of Administrative Expenses (as defined herein) plus PSD's presence on the School Site as a deterrent to crime and vandalism is adequate consideration for allowing PSD to occupy the School Site for the conclusion of the 2026/27 school year; and

WHEREAS, the BSD and PSD have determined that it is in its respective best interests to enter into this Agreement based upon the mutual considerations set forth below;

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. Incorporation of Recitals. The Parties acknowledge and agree that the above stated recitals are true and correct to the best of their knowledge and are incorporated by this reference as though fully set forth herein.

2. Interlocal Cooperation Act Compliance. This Agreement is entered into pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW for the purposes provided in Section 3 below. The duration and method of termination of this Agreement is included in Section 4 below. Except as otherwise specifically provided herein, each Party shall bear its own costs and control its own manner of financing and of establishing and maintaining a budget for the activities contemplated herein. No separate entity is created hereby and, except as otherwise provided in this Agreement, no real or personal property shall be acquired pursuant to this Agreement which will need to be disposed of upon partial or complete termination of this Agreement.

3. Purpose and Grant. This Agreement is intended to document the terms under which PSD may use and occupy the School Site as a temporary school for students from Ferrucci Junior High, including classroom, administrative, food service, and transportation use associated therewith (the "Permitted Uses"). To that end, BSD does hereby grant to PSD a license to use and occupy the School Site during the Term for the limited purpose of the Permitted Uses, and for no other purposes without prior written consent of BSD.

4. Term and Termination. The rights and obligations provided under this Agreement shall be effective upon mutual execution by the Parties (the "Effective Date") and shall remain in effect until July 15, 2027 (the "Term") unless terminated earlier by PSD. PSD may terminate this Agreement at any time by providing BSD with not less than sixty (60) days' prior written notice. Such notice shall be irrevocable upon delivery. Upon expiration of the notice period, PSD shall vacate the School Site and fulfill all obligations required under this Agreement, including but not limited to restoration of the School Site and payment of Administrative Expenses.

5. School Site Conditions, PSD Obligations. PSD acknowledges that the School Site has not been utilized for educational purposes. Therefore, BSD makes no representations or warranties regarding the condition of the School Site. PSD agrees that it is occupying the School Site in AS IS condition and that PSD shall be responsible for all costs associated with using the School Site for the Permitted Uses.

6. Reimbursement of BSD Expenses. The Parties acknowledge that BSD will incur additional expenses for maintenance and upkeep of the School Site during the Term resulting from PSD's use. PSD shall reimburse BSD in the amount of FIFTEEN THOUSAND AND NO/100 DOLLARS ($15,000.00) for each calendar month during which the School Site is subject to PSD's right to use under this Agreement (for purposes of this Agreement, any month in which PSD has the legal right to use, regardless of whether actual use occurs, shall be deemed a "Reserved Month").

   For purposes of this Section, any Reserved Month shall be deemed a full month regardless of prior vacation of the School Site by PSD. BSD shall invoice PSD monthly, and PSD shall remit payment within its regular business cycle following receipt of the invoice. PSD's total reimbursement obligation shall not exceed ONE HUNDRED EIGHTY THOUSAND AND NO/100 DOLLARS ($180,000.00) unless the Term is extended by agreement of the parties.

7. Maintenance and Site Restoration. During the Term, PSD shall be responsible for ordinary

janitorial service and BSD shall be responsible for utilities, landscaping and basic maintenance of the School Site, provided that any maintenance or repair expenses incurred because of unreasonable wear and tear by PSD, its students, licensees and invitees, shall be the sole expense of PSD. On or before conclusion of the Term, PSD shall restore the School Site to the same condition existing on the Effective Date, reasonable wear and tear excepted. PSD may use any existing furniture that is onsite or if removed on a temporary basis, such furniture will be stored in a secure location and returned to the site in the same condition.

8. Improvements or Alterations. The parties anticipate the building will largely be used as-is. Minor repair, cleaning, painting, or replacement of wall-covering or flooring may occur without prior authorization at PSD's sole expense. PSD will seek BSD approval for any other improvements or alterations to the property. Because time is of the essence, the parties agree that such approval may be granted informally by email or similar written authorization by the designated BSD representative below, and that formal amendment to this Agreement shall not be required for any such improvements or alterations. At PSD's election, upon termination of this agreement, any such approved improvements or alterations will become the property of BSD or will be removed at PSD's expense.

9. Indemnification.

   A. PSD agrees to indemnify and hold harmless BSD, its officials, officers, agents and employees from, and shall defend at its sole expense, against any and all claims, demands, damages, suits at law or at equity, liabilities, losses, judgments, liens, expenses, and costs arising out of or occasioned by PSD's negligent or wrongful conduct in its use of the School Site and the fulfillment of its obligations pursuant to this Agreement.

   B. BSD agrees to indemnify and hold harmless PSD, its officials, officers, agents and employees from, and shall defend at its sole expense, against any and all claims, demands, damages, suits at law or at equity, liabilities, losses, judgments, liens, expenses, and costs arising out of or occasioned by BSD's negligent or wrongful conduct in fulfillment of its obligations pursuant to this Agreement.

   C. In the event of liability based upon the alleged concurrent or joint negligence of the Parties, the Parties shall individually bear their respective liability, including costs, as determined according to RCW 4.22.015.

   D. The indemnification provisions of this Agreement shall not be limited by any worker's compensation, benefit, or disability laws, and each indemnifying Party hereby waives, solely for the benefit of the indemnified Party, any immunity that such indemnifying Party may have under the Industrial Insurance Act, Title 51 RCW.

   E. The foregoing obligations shall survive termination of this Agreement with respect to acts or omissions occurring during its term and relating to or involving the subject matter of this Agreement.

10. Miscellaneous:

   A. Assignment & Subcontract: This Agreement shall not be assigned by either party.

B. Complete Agreement, Integration, & Amendments: This Agreement, including the exhibits and attachments hereto (each of which is specifically incorporated herein), is intended as the complete integration of all understandings between the Parties. No prior or contemporaneous addition, deletion, or other modification hereto shall have any force or effect, unless embodied in this Agreement in writing. No subsequent novation, renewal, addition, deletion, or other amendment shall have any force of effect unless embodied in a written amendment to this Agreement executed by the Parties in the same manner as this Agreement. The Parties anticipate that this Agreement may be amended from time to time.

C. Severability: The Parties agree that if any provision of this Agreement or any portion thereof is held by a court of competent jurisdiction to be invalid, illegal, unenforceable, or in conflict with any law, the validity of the remaining portions or provisions shall not be affected, if the intent of the Parties can be fulfilled.

D. Notices: Any notices required under this Agreement, notices concerning the default in or termination of this Agreement, notices of alleged or actual violations of the terms or conditions of this Agreement, and other notices of similar importance, including changes to the persons to be notified or their addresses, shall be in writing and delivered to:

For BSD: Todd Mitchell
Executive Director of Human Resources
Bethel School District
516 176th St E, Spanaway, WA 98387
E-mail: tjmitchell@bethelsd.org

For PSD: Amie Brandmire
Assistant Superintendent of Human Resources
Puyallup School District
302 2nd St SE, Puyallup, WA 98372
E-mail: brandmah@puyallupsd.org

All notices shall be in writing and provided by personal delivery, certified mail, return receipt requested, or by email, or overnight courier. All notices are effective upon personal delivery, email receipt or upon placing in the United States mail or with the courier service.

E. Counterparts. This Agreement may be executed in two or more identical counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11. Dispute Resolution. In the event of a dispute between the Parties arising out of or relating to this Agreement, the Superintendent of each Party or their designated representatives shall review such dispute and options for resolution. If the dispute cannot be resolved by discussion between the Parties, dispute may be submitted to mediation before a mediator agreed to by the Parties, and if still not resolved, the matter will be resolved in the Superior Court of the State of Washington for Pierce County.

12. Enforcement, Interpretation, Venue. The laws of the State of Washington shall govern the

validity, performance, interpretation, and enforcement of this Agreement. Any lawsuit for enforcement or interpretation of any provision contained herein shall be filed in the Superior Court of and for Pierce County, Washington.

13. Equal Participation in Drafting. The Parties agree that each of them were adequately represented by independent counsel, and that both Parties shared equally in the drafting of this Agreement. Therefore, this Agreement shall not be construed either for or against either District as drafter, but this Agreement shall be interpreted in accordance with the general tenor of the language in an effort to reach an equitable result.

14. Integration and Amendment. There are no oral Agreements between the parties affecting the meaning, content, purpose, or effect of this Agreement. The provisions of this Agreement may be amended with the mutual consent of the parties. No additions to, or alterations of the terms of this Agreement shall be valid unless made in writing and formally approved and executed by the duly authorized agents of both parties.

15. Authority and Filing. By their signatures below, each party confirms it approves of and is authorized to enter into this Agreement pursuant to RCW 39.34.080. A copy of this Agreement shall be filed with the Pierce County Auditor or be listed by subject on the District's website or other electronically retrievable public source, pursuant to the requirements of Chapter 39.34 RCW.

BETHEL SCHOOL DISTRICT NO. 403

By: BRIAN LOWNEY
BRIAN LOWNEY (Aug 3, 2026 15:15:55 PDT)
(signature)

Its: Superintendent

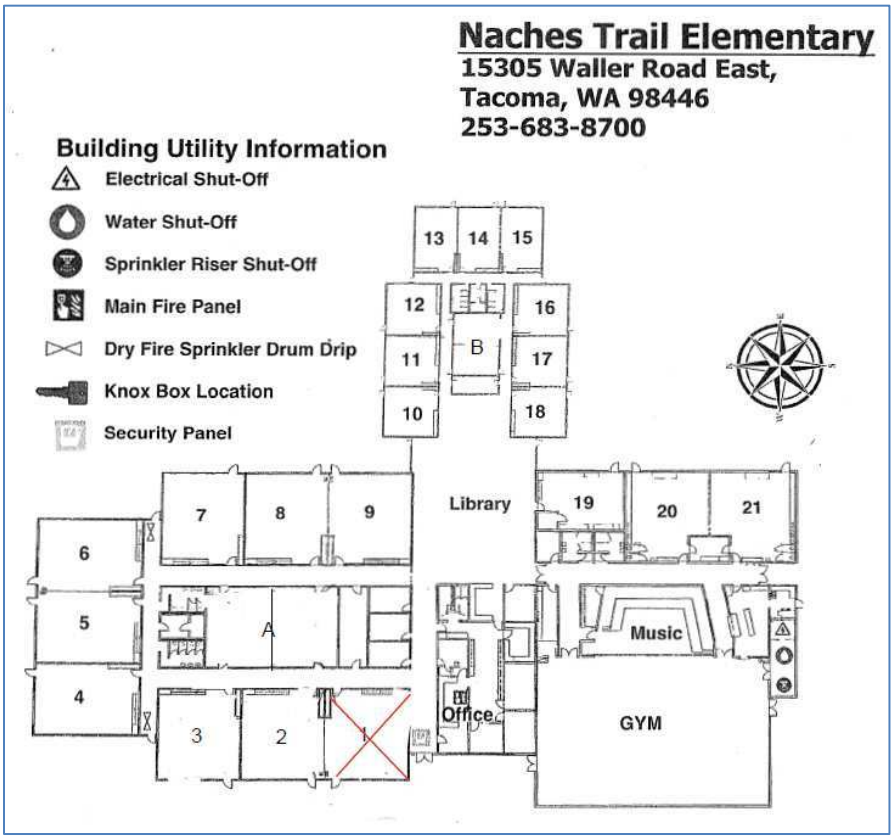
PUYALLUP SCHOOL DISTRICT NO. 3

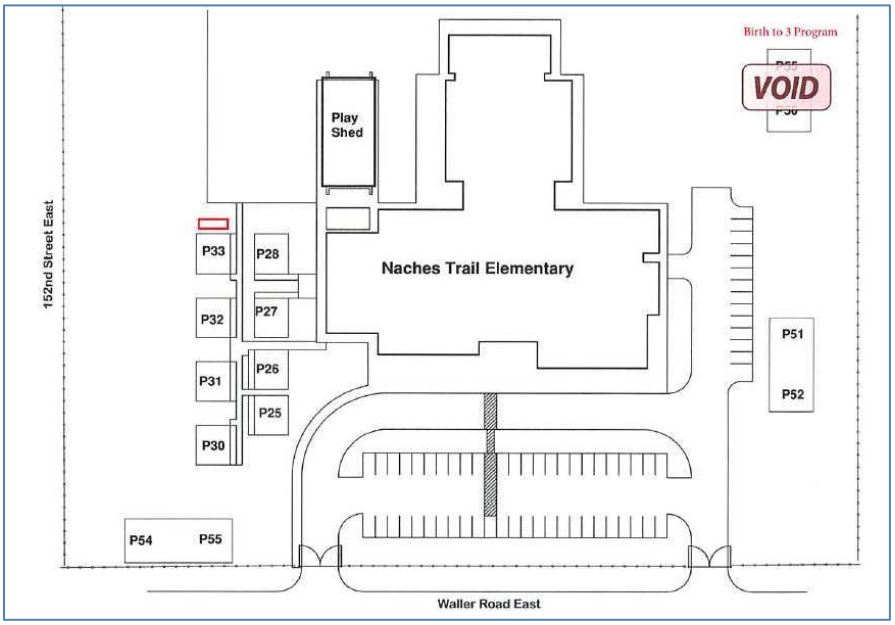
By: Kevin Alfano
Kevin Alfano (Aug 4, 2026 08:56:14 PDT)
(signature)

Its: Superintendent

Exhibit A

Description of School Site





20260714 - BSD Naches Trail Agreement

Final Audit Report 2026-08-04

Created:	2026-08-03
By:	Beth Kerrick (KerricBA@puyallupsd.org)
Status:	Signed
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