

**YELLOW MEDICINE EAST SCHOOL DISTRICT #2190
TRANSPORTATION CONTRACT**

THIS AGREEMENT, made and entered into this 1st day of September 2023, by and between Bennett & Bennett Transportation, Inc., a Minnesota Corporation, ("Carrier" hereinafter) and Yellow Medicine East School District # 2190, Granite Falls, MN, ("District" hereinafter), WITNESSETH:

In consideration of the covenants, terms, and conditions contained herein, it is hereby agreed and understood by the parties as follows:

1. Transportation:

Carrier shall, for the life of this contract, or any extension thereof, transport in a safe and reliable manner, all pupils attending school in the District.

2. Equipment:

- a. Carrier shall provide all buses and related equipment that are necessary to ensure full and continuous route service on all of the District's rural and city routes and to provide transportation to students in connection with school-related activities.
- b. All buses used in connection with this Agreement shall be of such capacity, not exceeding a rating of ninety (90) student passengers, as shall be necessary to meet the needs of the District. All buses and equipment used in connection with this Agreement shall at all times during this Agreement meet or exceed all specifications required by applicable federal or state laws, local ordinances, and/or any rules or regulations promulgated thereunder.
- c. Carrier shall keep all buses in a clean and sanitary condition and shall provide all maintenance and repairs of all buses and equipment used in connection with this Agreement. All maintenance and repairs shall be performed in accordance with industry standards and in conformity with all applicable federal or state laws, local ordinances, and/or rules or regulations promulgated thereunder. Maintenance shall include keeping all equipment in a safe and reliable condition for purposes of this contract and in a clean and sanitary condition.

The price ceiling for fuel is agreed upon as noted in the following table, exclusive of Federal tax. Any fuel costs in excess of the agreed-upon rate shall be borne by the District. Should the price ceiling for fuel fall below the agreed-upon rate, the District will be reimbursed the difference by the Carrier.

2023-2024	\$2.01 per gallon
2024-2025	\$2.05 per gallon
2025-2026	\$2.11 per gallon
2026-2027	\$2.11 per gallon
2027-2028	\$2.11 per gallon

3. Performance Bond:

The carrier specifically agrees to annually post a One Hundred Thousand and 00/100 (\$100,000.00) Dollar performance bond as a primary guarantee of their ability to provide District-wide transportation service; and/or an irrevocable letter of credit as a secondary guarantee with the District, which includes performance bond type language, with the surety's liability to run for the yearly term of the contract. The irrevocable letter of credit as attached, would be acceptable to the District only in the event that the Carrier's present bonding company no longer provides performance bonds and that a new bonding company could not be secured in a timely manner so as to be in effect when a school year would begin. These conditions shall be a precedent to the contract.

4. Liability Insurance:

The carrier agrees and covenants to furnish liability insurance with minimum bodily injury liability coverage of Five Hundred Thousand and 00/100 (\$500,000.00) Dollars per person per accident and a minimum of Two Million (\$2,000,000.00) Dollars per accident; property damage liability coverage of not less than One Hundred Thousand and

00/100 (\$100,000.00) Dollars per accident; and medical payment coverage of not less than Fifteen Thousand and 00/100 (\$15,000.00) Dollars per person. Such insurance shall provide protection to the District, its Board of Education and the individual members thereof, the Carrier, drivers, and other related personnel. A certificate of insurance shall be provided upon request by the District.

5. Worker's Compensation Insurance:

The carrier agrees to furnish Worker's Compensation Insurance on such employees as may be used to carry out the terms of this agreement. A Certificate of Insurance shall be provided upon request from the District.

6. Employees:

Carrier agrees to hire only qualified and competent employees for the purposes of driving the necessary bus routes to serve the District.

7. Operation:

- a. Carrier agrees to accept full responsibility for the entire bus operation and specifically agrees to comply with all policies of the District and all reasonable directives of the Superintendent of Schools of the District.
- b. Carrier agrees to operate buses each and every day during which school is in session over such routes as shall be established as hereinafter provided; PROVIDED HOWEVER, that the Superintendent may specifically waive operations during any particular day.
- c. Carrier agrees to furnish buses for school activities in addition to those needed on regular routes whenever two (2) days notice has been given. District shall request activities by fax or email so that the Carrier may have the agreed two days notice. Said buses must meet all the requirements set forth in paragraph two above. District agrees that spare buses may be used on routes from time to time to ensure compliance with this provision.
- d. Carrier shall establish and schedule all routes for presentation to the District for approval. Upon approval by the District, such routes and schedules shall become the official routes and schedules of the District.
- e. Use of Carrier's van(s) will be billed as noted in Appendix A, however, if a route needs to be established, Carrier and District will negotiate an applicable rate for said van route.

8. Routes:

- a. The District agrees to conference with the Carrier to inform them of the number of regular transportation routes that will be required for each school year by August 15th preceding the new school year.
- b. Special needs transportation routes will be determined annually by the District and the Carrier.
- c. Regular route transportation will include transporting to and from loading zones scheduled daily for the morning and afternoon.

9. Payment:

- a. The District agrees to reimburse the Carrier on a monthly basis according to the appendix fee schedule that is attached.
- b. A school year will consist of nine (9) months.
- c. The first payment shall be due and payable for Board approval at the duly scheduled September District Board meeting.

10. Two-Way Radios:

Carrier will provide two-way radio communication for equipment.

11. Operator:

Carrier shall provide for each operating bus a fully qualified and licensed operator of high moral and emotionally stable character, in compliance with all applicable laws, rules and regulations of the State of Minnesota Department of Education.

- a. As a condition of employment, drivers shall agree to the requirement that they meet no less than twice and not more than five times each school year for the purpose of reviewing busing regulations, laws, rules and safety procedures.
- b. The District reserves the right to prohibit bus operation by any driver who does not qualify, for any reason, to operate a school bus. Any such prohibition hereunder may in the District's discretion be preceded by a probationary period of such duration as may appear appropriate to the District, or may be preceded by such notice as the District in its discretion may determine.
- c. Operator shall be responsible for discipline on the bus, in accordance with the District policy on Student Behavior on Buses.

12. Term:

This contract shall become effective September 1, 2023, and shall remain effective until September 1, 2023; PROVIDED HOWEVER, that contract payment rate to Carrier set forth herein will be increased as indicated in Appendix A.

13. Non-Assignable:

It is mutually understood and agreed that no part of this contract may be sublet by the Carrier and that no assignment of this contract may be made without the express written approval of the District.

14. List of Students:

Carrier agrees to provide to the Superintendent of the District a complete list of students riding each route, prepared in consultation with District, showing the approximate times of loading and unloading for each student. Such list shall be completed and in the hands of the Superintendent on or before October 15th of each year during the life of this contract.

15. Notice:

Whenever, under this contract, notice shall be required to or from the District, it is hereby agreed that notice to or from the Superintendent or the Business Manager for the District shall constitute such notice.

16. Carrier Not an Agent:

In the interpretation of this contract and the relations between Carrier and District, Carrier shall be deemed an independent contractor furnishing transportation only, and contractor shall not be held or deemed in any way to be an agent, employee, or official of the District.

17. Cancellation:

This contract may be canceled by District upon Carrier's failure to comply with any of the contract terms or conditions or upon the occurrence of any of the following events:

- a. Insolvency of Carrier,
- b. Carrier making an assignment for benefit of creditors,
- c. Filing of voluntary or involuntary petition in bankruptcy by or against Carrier,
- d. Appointment of receiver to take charge of Carrier's affairs or property.

Upon cancellation, District may employ another contractor to complete the terms of this contract or complete the contract itself and hold Carrier responsible for any added expense or damage sustained by the District. District may elect any other legal or equitable remedies which it may have.

18. Performance Indemnification:

Carrier shall indemnify District from any loss, cost of expense it may sustain from any cause arising out of the performance or lack of performance of this contract by Carrier.

19. Liability Indemnification and Duty to Defend:

The District, or its authorized representatives, shall not in any way or manner be answerable or suffer loss, damage, expense, or liability for any loss or injury that may happen as a result of the transportation service required by this contract. The Carrier shall assume all liability of every kind or nature arising from such transportation service either by

accident, negligence, theft, vandalism, or any cause whatever, and shall indemnify and defend the District or its authorized representatives from all liability of every kind and nature arising from accident, negligence, or any cause whatever the District may suffer.

20. Renewal of Contract:

The District or the Carrier shall have the right to renegotiate in good faith this contract for an additional five (5) years at the completion of the term of this contract, following MN Statute 123B.52. At a time not less than nine (9) months prior to the expiration of the term of this contract, the District or Carrier shall inform the other party in writing if it does not intend to renew the contract for an additional term. If the intent is to pursue renewal, the Carrier shall notify the District of their desire to begin negotiation prior to May 1, 2028.

21. Student Transportation:

It is hereby agreed that, should District combine with another district, the Carrier will continue to provide student transportation for the previously constituted Yellow Medicine East system and that nothing shall prohibit the Carrier from negotiating with the newly combined District for a contract to furnish student transportation for the remainder of its students. Carrier will provide transportation for new open enrolled students upon request by District and the cost of the additional transportation will be negotiated on the basis of the aforementioned costs of the contract.

22. Special Van Transportation:

It is hereby agreed that Special Van Transportation (special needs and summer school van transportation) beyond the scope of regular bus routes and with the exception of the middle of the day van route or after-school van route, shall be billed according to the rates outlined in Appendix A unless otherwise agreed. The middle-of-the-day van route and after-school van route will be provided at the minimum rate per trip.

23. Adding Routes or Out-of-District Students

If additional student routes or individual student transportation arrangements are requested, those requests will be submitted by the Carrier for approval.

This contract and any subsequently negotiated contract addendum are intended by the parties as the final expression of their agreement and is the complete and exclusive statement of the terms thereof. It contains the total agreement of the parties, and all agreements entered into prior to or contemporaneously with the execution of this contract are excluded, whether oral or in writing. Receipt of an executed copy of this contract is hereby acknowledged by each party hereto.

IN WITNESS WHEREOF, we have hereunder set our hands and seals the day and first above written.

YELLOW MEDICINE EAST
SCHOOL DISTRICT #2190

BENNETT & BENNETT
TRANSPORTATION, INC.

Chair

President

Witness

Witness

YELLOW MEDICINE EAST SCHOOL DISTRICT #2190

TRANSPORTATION CONTRACT

APPENDIX A

This is an appendix to the existing contract between Bennett & Bennett Transportation, Inc., a Minnesota Corporation, and Yellow Medicine East School District #2190, Granite Falls, MN.

This appendix is an additional agreement in consideration of the covenants, terms and conditions contained in the above-mentioned contract. It is hereby agreed and understood by the parties as follows:

Payment for the 2023-2028 School Year:

District agrees to pay Carrier fees on the following basis:

	4%	3%	3%	2%	2%
Regular Route Transportation	23-24	24-25	25-26	26-27	27-28
All Bus Routes	\$5,399.00	\$5,561.00	\$5,728.00	\$5,843.00	\$5,960.00
Transportation (School Bus)	23-24	24-25	25-26	26-27	27-28
Per Mile (Activities)	\$1.70	\$1.76	\$1.82	\$1.86	\$1.90
Sit Time (Per Hour)	\$27.00	\$28.00	\$29.00	\$29.00	\$30.00
Minimum Trip	\$100.00	\$103.00	\$106.00	\$108.00	\$110.00
Round Trips Under 15 miles from G.F. -	Minimum trip plus hourly sit time				
Transportation Special Van Type III	23-24	24-25	25-26	26-27	27-28
Per Trip	\$74.00	\$76.00	\$78.00	\$79.50	\$81.00
Full TripVan/Type III Vehicle Shuttle	\$148.00	\$153.00	\$157.00	\$159.00	\$162.00
Driver Out Over Meal	23-24	24-25	25-26	26-27	27-28
Per Meal	15.00	15.00	15.00	15.00	15.00
Community Education	23-24	24-25	25-26	26-27	27-28
Hourly	65.00	67.00	69.00	70.00	72.00
Fuel Ceiling	23-24	24-25	25-26	26-27	27-28
Per gallon	2.01	2.05	2.11	2.11	2.11