

Bloomingdale School District 13 164 Euclid Avenue Bloomingdale, Illinois 60108-2604

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E-mail jreiniche@sd13.org To: Dr. Jon Bartelt Board of Education
From: Mr. John Reiniche
Date: June 17, 2020

Re: Amendment to Contract for Transportation Services

Background:

March 13, 2020, Illinois Governor J.B. Pritzker issued Executive Order 2020-05 COVID-19 ("EO 2020-05") closing public schools to student attendance. Governor Pritzker issued subsequent Executive Orders, which eventually led to closing schools for the remaining school year.

Situation:

The District has been in discussion with First Student to provide an avenue to assist the Bloomingdale School District 13 bus drivers with financial support during this pandemic. I have been collaborating with many other school districts in DuPage County, which are engaging in a similar process. In addition, I have been in discussion with the Illinois State Board of Education along with the District's attorneys for the primary purpose of ensuring that the District will receive state reimbursement for this arrangement. Based upon my discussions with all of the aforementioned groups, it was decided that 40% of expenses from March 16, 2020 to the end of the regularly schedule 2019-2020 would be a reasonable reimbursement. For your convenience, I have attached the amendment that our attorneys have reviewed and First Student has agreed to.

Recommendation:

It is the Administration's recommendation that the Board of Education of Bloomingdale School District 13 approve the attached amendment to the contract for transportation services with First Student, as written.

AMENDMENT TO CONTRACT FOR TRANSPORTATION SERVICES

THIS AMENDMENT is made as of the effective date set forth below (the "Effective Date") by and between the Board of Education of <u>Bloomingdale School District 13</u> (the "District"), and <u>First Student Inc.</u> (the "Contractor"), together the ("Parties").

WHEREAS, THE District and the Contractor are parties to a contract for transportation services dated <u>July 1, 2020</u>, expiring <u>June 30</u>, 2020 (the "Contract"); and

WHEREAS, on March 13, 2020, Illinois Governor J.B. Pritzker issued Executive Order 2020-05 COVID-19 ("EO 2020-05") closing public schools to student attendance through March 30, 2020; and

WHEREAS, on March 20, 2020, Illinois Governor J.B. Pritzker issued Executive Order 2020-10 ("EO 2020-10"), mandating that all public and private schools remain closed through April 7,2020; and

WHERESA, on April 1, 2020, Illinois Governor J.B. Pritzker issued an Executive Order 2020-18 ()"EO 2020-18"), mandating that all public and private schools remain closed through April 30, 2020; and WHEREAS, on April 17, 2020 Governor Pritzker announced the closure of all public and private schools in Illinois serving pre-kindergarten through 12th grade students for the remainder of the 2019-2020 school year, and

WHEREAS, the Parties desire to amend the Agreement to allow for the continued payment of the salaries and benefits of employees of Contractor, as well as for the payment of other fixed costs of Contractor during the school closure to ensure when the school closure order is lifted the Contractor will be ready, willing and able to commence transportation services to the District; and

WHEREAS the Contractor has requested that the District continue making modified payments to the Contractor in order to avoid the layoff and unemployment of the Contractor's bus drivers and related personnel office staff and mechanics; and

WHEREAS, the District is willing to make certain payments to the Contractor during this time when student transportation is not required to ensure that they are ready, willing and able to commence transportation services upon the lifting of the order closing Illinois schools.

NOW, THEREFORE, the District and the Contractor agree to amend their Contract as follows:

SECTION 1. The District agrees to pay contractor from March 16, 2020, until the end of the regularly scheduled 2019-2020 school year, an amount equal to Forty Percent (40%) of the District's normal daily scheduled route charges under the Contract. The payments made by the District hereunder shall only be utilized by the Contractor to pay salaries and benefits of affected employees ("Affected Employees") and fixed costs directly related to Contractor's transportation services ('Fixed Costs'). The District payment will be made following Board approval of an invoice from the Contractor, which shall not include any payments for the District's Spring Break, nor any amount for profit The District Payment shall satisfy any payment obligations the District may have to make payments to Contractor under the Coronavirus Aid, Relief and Economic Security Act.

In consideration of the payment referenced in this Section 1, Contractor agrees to the following:

A. That it has not laid off or reduced the regular daily wages or benefits of any office staff or mechanics assigned to the District as of March 13, 2020 through April 30, 2020. [DB1]Contractor shall provide evidence that it has made the payments referenced above to the employees identified above before payment shall be due from the District.

SECTION 2.

If the Contractor receives revenue to include but not limited to state or federal tax credits, government grants, subsidies or any other form of compensation ("Relief Payment") the Contractor shall reimburse the District the amounts paid by the District pursuant to this Amendment. Relief Payments be direct to the Schaumburg location and be related to conditions of this amendment. Contractor shall provide written notification to the District within seven calendar days after Contractor is aware of the Relief Payment.

<u>SECTION 3.</u> Contractor's invoice shall include sufficient evidence that it has paid Affected Employees, that the Affected Employees remain employed by Contractor, and that Contractor has continued to incur the other amounts included in the Fixed Costs ("Invoice and Supporting Documents"). The District reserves the right to audit the Contractor's payroll records to confirm such payments have been made.

SECTION 4. The district is making the payments described in Section 1 to the Contractor in reliance upon the representation of the Illinois State Board of Education (the "ISBE") that such payments shall be reimbursable as part of the District's projected regular student transportation reimbursement claim(s). If the ISBE denies the District reimbursement for the payments made in Section 1 of this Amendment, the District shall notify Contractor of such denial within thirty (30) days, and the Contractor shall reimburse the District the amounts paid to the Contractor pursuant to Section Such payback – due to volume of such paybacks we could be subject to we request ability to payback over a negotiated period of time

SECTION 5. All other terms and conditions of the Contract shall remain in full force and effect. If there is any conflict between the terms of the Contract and this Amendment, the terms of this Amendment shall control. This Amendment shall be governed by Illinois law in all respects and exclusive venue for any litigations arising from or related to this Amendment shall be in the circuit court.

SECTION 6. This Amendment shall be effective upon approval by the District's Board of Education. The person signing on behalf of the Contractor represents that he/she is fully authorized to legally bind the Contractor to the obligations described above. The parties may negotiate a continuation to this Amendment or a new Amendment. Any such continuation or new Amendment shall be agreed in writing and signed by the Parties.

DISTRICT

BOARD OF EDUCATION OF

CONTRACTOR FIRST STUDENT, INC.

Bloomingdale Elementary School District 13

Bloomingdale, ILLINOIS

Ву:	Ву:
President:	Title:
Date: June 22, 2020	Date: