

**SCHOOL BUS TRANSPORTATION CONTRACT
SCHOOL DISTRICT – INDEPENDENT CONTRACTOR**

This agreement made and entered this 18th day of July, 2016, by and between Independent School District No. 31, 502 Minnesota Avenue, Bemidji, MN 56601, hereinafter referred to as “School District” and Ervin Blom of Blom’s Bus Service, 11416 Eckles Road NW, Bemidji, MN 56601, hereinafter referred to as “Contractor”.

By acceptance of this agreement, said Contractor does hereby agree to provide the School District with the service required by said School District to transport children to and from school/or to the regulations of the School District and the State Department of Education. The following regulations must be complied with, and failure to comply may be cause for termination of contract agreement.

COMPLIANCE WITH LAWS AND REGULATIONS

Contractor and its drivers are required to comply with the rules and regulations of the U.S. Department of Transportation, the State of Minnesota and all regulations or requirements of the State Motor Vehicles Department, Department of Public Safety and the State and Local Boards of Education.

PAYMENT

At the end of each and every month covered by this contract, Contractor shall submit to the Board a bill which shall include a detailed account showing the number of students transported, mileage traveled, and fuel consumed in each category of transportation furnished during the preceding month. Each month the School District shall pay Contractor the contract price for those services that have been rendered less any deductions in accordance with the following paragraph.

NON-PERFORMANCE

Contractor shall provide the district with prompt, reliable and quality transportation service. Failure to provide this service shall be considered non-performance under this contract. Non-performance items shall be determined by the Coordinator of Transportation. The following shall constitute non-performance and the School District shall be entitled to liquidating damages in the amount of \$15.00 per occurrence and or \$25.00 per bus.

1. Failure of Contractor to notify the School District of vehicle breakdowns, malfunctions, accidents, emergency delays or other unusual occurrences within two hours of occurrence via telephone. Such occurrences will be reported to the Coordinator of Transportation in writing within 48 hours. Emergency or extraordinary delays beyond the control of the Contractor will be exempted from this provision. However, the Contractor is obligated to notify the Coordinator of Transportation via phone or two way radio of such delays as they occur.
2. Failure of Contractor to comply with the procedures, rules and regulations established by the School District and all conditions of this contract.

3. Failure of Contractor to follow approved routes and schedules or any part thereof excluding emergencies.
4. Failure of Contractor to provide the School District with necessary reports, information or other required data relating to the transportation of pupils.
5. Failure of Contractor to take necessary steps to provide continuous care in protecting students from injury and exposure to foreseeable hazards or conditions.
6. Failure of the Contractor to maintain and repair its approved vehicles adequately or to keep them clean inside and out.
7. Recurring irregularities in schedules including early and late arrivals.
8. Recurring overloading of vehicles.
9. Recurring or serious cases of disruptive and uncontrolled student conduct aboard the bus.
10. Recurring or serious violations of Minnesota traffic laws, rules and regulations.
11. Failure of Contractor to maintain continuous radio communications with the Transportation Department during normal operation hours, excluding emergency equipment failure.
12. Inappropriate driver or Contractor behavior, language or procedures in dealing with pupils, parents, school personnel and public.
13. Failure of Contractor to train, inform and in-service drivers.
14. Refusal or undue delay by Contractor in making operational changes as directed by the Coordinator of Transportation.

In the event the School District determines the Contractor has exhibited any of the above, the Coordinator of Transportation shall notify Contractor in writing within one week of occurrence. Notwithstanding anything to the contrary set forth in this provision, the remedy set forth in the first paragraph of this section shall not be the exclusive remedy of the School District. The amounts set forth in the first paragraph of this section are to be minimal payments due to the difficulty of ascertaining the actual damage resulting to the School District. This amount shall not be construed as a penalty nor shall it limit the School District's right to pursue whatever other remedies may be available to it, and in any and all events shall not be the exclusive or final remedy.

SCOPE

1. Contractor shall transport to and from school(s) each day school is in session, those public and private school pupils assigned to the route by the School District over routes designated by the School District.
2. Contractor will prepare, maintain and furnish to the School District an accurate detailed schedule accounting for each pupil transported.

EQUIPMENT

Contractor shall provide transportation equipment which at all times will conform to the Minnesota current minimum standards for school buses as established by the State Board of Education and the legal requirements of the State of Minnesota. This equipment initially (at time of signing this contract) will be as follows:

YEAR	CHASSIS	BODY	CAPACITY	BUS #
2005	Freightliner	Thomas	77	81
2000	Freightliner	Thomas	71	82
2004	Freightliner	Thomas	77	83
1998	Bluebird	Bluebird	65	84

EQUIPMENT INSPECTION

Contractor shall permit all vehicles covered under this agreement to be inspected when such inspections are called for by the state department or the School District, and shall deliver said vehicles to the place of inspection when requested with no additional compensation.

DRIVERS

Contractor shall provide licensed and qualified drivers who shall have a current Bus Driver’s License as required by the state. The School District shall reserve the right to approve or disapprove any driver. Drivers must attend and participate in driver workshops, clinics, and schools of instructions designated by the School District. Contractor will provide the School District with a complete list of drivers and necessary pertinent data required for the School District and state reports. Above section will apply to substitute school bus drivers as well as regular school bus route drivers.

INSURANCE

Contractor shall provide and keep in force during the term of the contract, liability insurance protecting pupils, the public, and employees. Said liability insurance which is required by law, shall provide at least the following coverage:

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| a. Bodily Injury Liability – each person | \$500,000 |
| b. Bodily Injury Liability – each accident | \$1,500,000 |
| Bodily Injury Liability – each accident | \$5,000,000 |
| c. Property Damage Liability – each accident | \$100,000 |
| d. Medical Liability – each accident | \$20,000 |

Insurance policies shall name School District No. 31 as “additional insured”. Copies of insurance policies or a “Certification of Insurance” must be furnished to the School

District. Whenever a new policy is written, the School District shall be furnished with new copies of the policy or certifications. Contractor shall also provide the district with proof of worker's compensation insurance.

ACCIDENTS

Contractor shall notify the School District transportation coordinator immediately of any and all accidents involving the vehicles used for the transportation of school pupils. Required accident forms must then be completed and submitted for the proper reporting of accidents.

RULES AND REGULATIONS

Contractor shall comply with all current rules and regulations relating to school transportation as established by the State Board of Education and the School District.

TERMS, COMPENSATION, TERMINATION

1. Contractor shall provide transportation for the term of one (1) school year. The Board of Education reserves the right to extend this contract to an additional two (2) years. Total number of days shall not exceed 176 days per year, except as further provided in this paragraph. This contract provides that no transportation need be provided on the holiday dates or vacation periods which are designated in the School District official calendar. In the event of the shutdown of schools, due to weather conditions or other unusual circumstances, the School District reserves the right to extend the school year beyond the ending date stated in the school calendar and if such extension results in additional days of transportation by the Contractor beyond the total number specified previously in the paragraph, then said Contractor shall receive additional compensation for the extra mileage.
2. Contractor shall provide transportation as designated in this contract agreement for the period stated at the following compensation but subject to possible changes as outlined in Paragraph 4 following:

<u>SCHOOL YEAR</u>	<u>2016-2017</u>	<u>2017-2018</u>
ROUTE NO.		
81	\$48,108.00	\$49,070.00
82	\$43,589.00	\$44,460.00
83	\$42,770.00	\$43,625.00
TOTAL	\$134,467.00	\$137,155.00

3. Fuel cost base **\$4.10** per gallon. In the event that fuel costs should increase more than **fifteen** cents per gallon above a base cost, the proof of said increase and a statement should be sent to the transportation department.

In the event that fuel costs should decrease more than **fifteen** cents per gallon below a base cost, the proof of said decrease and a statement should be sent to the transportation department. Upon ascertaining said cost by the transportation department, the School District will deduct said cost from the contract payments.

4. The School District reserves the right to change or alter bus routes during the school year. In the event of such changes and mileage is increased or decreased adjustments of compensation will be made. Contractor is given the right to cancel his/her contract on those grounds if changes are not agreeable to him/her, but shall give immediate notice in writing to the School District of his/her intention to terminate said contract. Actual date of termination shall be made by the School District. The School District may terminate this contract for reasons of negligence, violations of rules or regulations, or other suitable reasons which would affect the proper transportation of pupils by furnishing the Contractor, in writing, a notice of intention to terminate. Contractor may terminate this contract for reasons of his/her own by providing a written notice to the School District requesting such release from contract. The school Board shall act on such requests at the first regular meeting after receiving such request. Contractor shall be required to operate the bus route(s) until action is taken by the school Board. Date of termination will be determined by the School District.

ASSIGNMENT

Contractor may not assign or transfer part or all of his/her interests in this contract without written approval of the School District upon arriving at such decision at a regular Board meeting.

We, the undersigned, do hereby accept this contract agreement in good faith and shall provide transportation service and/or contractual payments according to the requirements of this agreement.

In witness whereof we have hereunto set our hands and seals this _____ day of _____, 20_____.

INDEPENDENT SCHOOL DISTRICT NO. 31

Treasurer, Director of Business Services

Contractor