

## CONTRACT ADDENDUM

### PARTIES:

Three Rivers School District  
Po Box 150  
Murphy, OR 97533  
and

First Student, Inc.  
201 NE Park Plaza Dr, Ste. 240  
Vancouver, WA 98684

Pursuant to the contract between the parties indicated above, the term of said contract is hereby extended and shall expire on June 30, 2017. All conditions and provisions of the basic contract and any subsequent addendums remain in effect with the following exceptions:

#### **Fuel**

*Effective July 1, 2011, the fuel cap will be increased by \$.30 per gallon from \$.75 to \$1.05 per gallon without increasing transportation rates. The Contractor will pursue obtaining two (2) onsite bulk fuel tanks. Prior to actual tank installation, the District and contractor agree to negotiate a new fuel peg or increased transportation rates to cover the Contractor's initial expense of the fuel tanks.*

#### **Rates**

*All Transportation Rates shall not increase for the next (2) two school years (2011-2012 and 2012-2013) but shall remain at their current levels. Beginning July 1, 2013, the Transportation rates will increase according to the existing contractual CPI escalation language.*

#### **Minimum Operating Days**

*It is understood that the Contractor's fixed costs and transportation rates, have been calculated based on 170 operating school days. The District has notified Contractor of plans to operate 164 transportation days for the 2011-2012 School Year. Beginning July 1, 2011 forward, contractor will apply a minimum days charge for all transportation days less than 163 school days. Said minimum days charge will allow Contractor to cover the Contractor's fixed costs, which are budgeted to be spread over 170 revenue days. The Contractor will provide justification to substantiate the applicable fixed costs. The minimum days charge for the duration of this agreement is \$164.79 per route per day.*

#### **\$5,000 Annual Academic Scholarship**

*Beginning with the 2011-12 school year, First Student will provide a \$5,000 annual Academic Scholarship to be used at the Superintendent's discretion for the benefit of the Three Rivers School District Students and community. The annual donation will be*

*presented to the School Board by a First Student representative at a Board meeting of the Superintendent's choice.*

**In-Kind Athletic Trips**

*Beginning in the first year of the contract extension 2012-2013 school year, First Student will increase the current \$100,000 contribution for Athletic Trips to \$125,000 for each school year through the extension period. The intention is to support the District's after school Late Activity Bus Schedule. It is understood that these donation levels will be subject to re-negotiation between the School District and the Contractor should the Home to School Service levels decrease by more than 5% in any year over year period (School Year).*

**Digital Cameras**

*First Student agrees to install a digital camera in every home to school bus prior to the start of the 2012-2013 school year.*

With Contractor having satisfactorily performed all of the obligations required of it hereunder, the Agreement may be extended for an additional period(s) given both parties agreement.

Contract addendum to the contract for "Transportation Service" between Three Rivers School District and First Student, Inc. is hereby agreed to and approved.

By: \_\_\_\_\_  
Three Rivers School District  
Title:  
Date:

By: \_\_\_\_\_  
First Student, Inc.  
Title: Region Vice Pres.  
Date: