



LAKELAND JOINT SCHOOL DISTRICT
Committed to Academic Excellence ... Dedicated to Student Success

Board Agenda Item Request

AGENDA ITEM: Action Item - North Idaho Stem Charter MOU for bussing

PURPOSE: Requires approval by the board

MEETING DATE: April 16, 2025

PREPARED BY: Lisa Arnold

SUMMARY

The Draft MOU is [here](#).

The board asked for guidance from our attorney. Megan's response is below:

Yes, a school district can lease out its buses. According to IDAHO CODE 33-1512, the lease is permissible when commercial transportation is not reasonably available. This doesn't require any kind of special analysis but generally requires an email or communication with the Lessee/Applicant saying that they have tried to rent other buses and they are too expensive or some other factor that makes the arrangement 'unreasonable.'

The rate must be not less than the district's cost per mile and the funds have to be earmarked for replacement of buses. During the use period, the District name/information must be concealed

We cannot 'rent' out our employees. I recommend having the other company hire our drivers on their own time outside of the District. We shouldn't be using our drivers and paying them through District funds for non-District business (even if the price was built into the rental costs).

**Also, I recommend talking to the District's insurance company to see what language they would want to see in the MOU or what additional endorsements they might want.

The board asked for guidance from our insurance provider. Chad's response is below:

Lisa,
Insurance generally follows the vehicle.

The challenge with this option is that you become a rental agency, which your policy isn't really set up to contemplate. ICRMP's policy would not provide coverage under your policy for a vehicle that has been rented to another agency for a fee. We would have to look to the policy of that other entity for coverage. They would have hired and non-owned liability coverage in place to cover vehicles they had rented or leased, so that would probably be ok in this case.



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The downside is that you lose the ability to screen the driver, make sure they are properly trained etc. and would still be down a bus if it is in an accident.

Hope that helps.

Superintendent Recommendation

Based on input from both our attorney and insurance carrier, the liability follows the vehicle. If we continue to provide this service, it will be at our cost if there is an accident of some kind. In an effort to tighten our belts, I am not sure taking on this additional risk is in our best interest. I would recommend that we not continue this practice.

Memorandum of Understanding

LAKELAND SCHOOL DISTRICT and STEM CHARTER ACADEMY

This Memorandum of Understanding (MOU) sets forth the terms and understanding between **LAKELAND SCHOOL DISTRICT** and **STEM CHARTER ACADEMY**

Background: STEM Charter Academy has been renting buses from Lakeland for 13 years. We first approached MaryAnn Rannells in 2012 and she referred us to Darrell Rickard who ran the Bus Barn at the time. Through Darrell, and subsequently Jessica Dehnert, we have booked trips and paid whatever we were invoiced for that trip. This has always been a mutually beneficial relationship that provides more hours to Lakeland's bus drivers throughout the year and, to our knowledge, has never conflicted with any of Lakeland's operations or resulted in any Lakeland students not being serviced.

Purpose

This MOU will allow students of STEM Charter Academy to be bussed to and from events by Lakeland School District buses as needed. Lakeland students and Lakeland school schedules will always take priority over STEM Charter bussing needs. The intent of this MOU is for STEM Charter academy to pay Lakeland Jt. School District for the use of their buses and drivers. STEM Charter Academy agrees to pay whatever price per mile and/or flat fee that Lakeland deems a fair reimbursement to make sure that ALL of Lakeland's expenses are covered. It is our hope that this will be a mutually beneficial arrangement that will actually provide extra hours for some of their drivers throughout the school year at no cost to Lakeland.

The above goals will be accomplished by undertaking the following activities:

Should a need arise, the administrator, or their designee, from STEM Charter Academy will contact an administrator, or their designee, from Lakeland Jt. School District and arrange transportation for the students. Lakeland School District will present STEM Charter Academy with an invoice for service rendered at their per mile cost. The cost for the 2024-25 school year shall be \$4.06 per mile traveled and the salary and benefit cost for the driver for the duration of the trip; which may include overtime compensation.

Duration

This Memorandum of Understanding shall remain in effect for a period of one (1) year; from September 1 to August 30. This Memorandum shall be amended for consideration and renewed annually unless terminated in accordance with this section. This Memorandum may be terminated in writing by mutual consent of the STEM CHARTER ACADEMY and LAKELAND JT. SCHOOL DISTRICT. In addition, this Memorandum may be terminated at any time by either party upon written notice no later than March 15 of the intent to terminate to the other party.

This MOU is at-will and may be modified by mutual consent of authorized officials from **LAKELAND SCHOOL DISTRICT** and **STEM CHARTER ACADEMY** and will remain in effect until modified by mutual consent or terminated by any one of the partners.

Contact Information

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