

## Transportation Agreement Key Points

### **Agreement Provisions**

- The key items and changes in this Agreement includes the following:
- maintains the present District student transportation policies and practices;
- sustains and improves student transportation service qualities for all students attending District schools;
- provides a commitment to a specific fleet of school buses and Type III van(s) assigned to the District services;
  - all buses Palmer is keeping from the NK-G fleet are in Mankato at our body shop and will be repainted and repaired and/or remove any rust,
  - Palmer is retiring 12 of the NK-G fleet and replacing them with newer purchased vehicles – buses and vans,
  - Palmer is installing new REI video recording equipment and Zonar GPS equipment in each bus,
  - Palmer is installing Pro-Vision video recording equipment in all Type III vehicles;
- increased all existing bus driver wages to \$25 per hour (NK-G was considerably less), which is estimated at twenty (20%) increase for existing drivers,
  - Palmer has implemented an aggressive recruitment program attracting many new employees as well as retaining and hiring existing drivers;
- provides the District with a provision for fuel price increases when fuel prices exceed \$3.25 per gallon (excluding the federal excise tax) with the District paying 50%/Contractor 50% of the excess fuel cost over \$3.50 per gallon diesel and unleaded fuel (e.g. pump price); and
- confirms that Palmer Bus will be providing school buses and Type III vans that have been properly inspected transportation services, approved for services and employing persons who are properly licensed and trained for student transportation services;
- hired experienced FT manager located in Bovey and Assistant Manager located in Nashwauk so we always have management at both locations;
- Palmer and Lighthouse Management have not completed an agreement with respect to the NK-G Transportation terminal in Bovey, but Palmer expects to invest in a new bus terminal in the District;
- negotiated rates for 2024-25 contract year are reduced \$55 per route per day compared to the rates in the 2023-24 short-term contract, but are increased cost compared to the 2023 Agreement with the previous provider; and
- included rates and provisions that maximize the state aids paid to the District for regular services as well as reimbursements for special education and services.
- This recommendation to contract with Palmer Bus brings a provider with a great deal of experience over fifty (50) years providing student transportation services as well as the provider who has provided transportation services the last four months of this past school year.

