

**PENDLETON SCHOOL DISTRICT 16R  
TRANSPORTATION SERVICE AGREEMENT  
2017**

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**THIS AGREEMENT is made and entered into as of the above date by and between the parties set forth below.**

**1. Parties.**

The parties to this agreement are Pendleton School District 16R, 107 NW. 10<sup>th</sup> Street, Pendleton, Oregon 97801, ("District") and Mid Columbia Bus Company, Inc., an Oregon corporation, P.O. Box 1108, Pendleton, Oregon 97801 ("Contractor"). Contractor will perform its obligations under this contract in the name of Pendleton Bus Co. and Mid Columbia Charters, both of which are divisions of Contractor. Mid Columbia Charters will own, operate and provide all motor coaches required for the use of District, and will separately bill and be paid by District for the use of such motor coaches. Pendleton Bus Co. will perform, bill and be paid for all of Contractor's obligations hereunder except those performed by Mid Columbia Charters.

**2. Scope of Agreement.**

Contractor shall, during the period hereinafter set forth, provide and maintain the required number of school buses to conveniently and safely transport all students designated by Pendleton School District to be served under the provisions of this contract. Such transportation shall be provided for "home-to-school" service for each and every day that school is convened and, in addition, the Contractor shall, during the period of this agreement, provide activity transportation for all students or authorized personnel as may be required by the District (field trips, excursions, athletic activities or any other purpose designated by the District).

**3. Term.**

A. The term of this agreement is from July 1, 2017 to June 30, 2022. Effective July 1, 2017, this agreement supersedes and replaces any prior agreement concerning transportation services between these parties.

B. Prior to June 30, 2022, the parties shall attempt to negotiate a new five-year agreement. To that end on or before February 15, 2022, the Contractor shall propose to the District a new five-year agreement. The parties shall thereupon enter into good faith negotiations concerning the terms of such agreement. If such negotiations are successful and the parties mutually agree, on or before June 30, 2022, to the terms of a new five-year agreement, such agreement shall be executed by the parties. Such new five-year agreement shall, in all respects, supersede and replace this agreement.

C. In the event such negotiations are not successful, then this agreement shall become null and void at the end of the period as set forth in item A, above.

#### **4. Equipment.**

A. The Contractor shall keep all equipment used to fulfill the terms of this agreement in strict accordance with the state and federal specifications and standards for school buses, and such equipment shall be maintained in good mechanical and other order at all times and successfully pass any required state and federal school bus inspection. The buses shall be kept in clean and sanitary condition at all times, and shall be open to examination and subject to approval of District.

B. All buses, regular and standby, to be used in service hereunder are subject to District's approval prior to usage, and shall at all times be equipped and maintained in compliance with all laws, rules and regulations of the state and federal government and any regulatory or other agency thereof. A list of buses acceptable to District at the commencement of the agreement term, properly addressing the requirements for routing, seating capacity, maneuverability and passenger comfort, shall be furnished the District. Any modification to the fleet described in the list shall be subject to District approval.

C. Any installation or modification of equipment required by any unforeseen change of law, rule or regulation of the state and federal government, or as directed by the District shall only be made by Contractor upon prior written notice to and prior approval as to cost by the District.

D. Contractor shall keep and maintain, on site in the District, a minimum of eight 65-passenger (or larger) standby school buses and one lift-equipped special needs standby school bus, to assure Contractor can provide uninterrupted service hereunder. Standby buses shall meet or exceed requirements and standards as set forth by the Oregon State Department of Education.

E. Contractor shall supply, insure, fuel, maintain and store (2) 2004 or newer 4x4 Suburban vehicles for the District's use. Upon request of the District, Contractor shall provide, twice annually, the necessary classroom instruction to qualify District personnel to legally operate such a vehicle. Contractor must also provide, upon reasonable notice, the necessary behind-the-wheel training required of those persons who have completed the classroom instruction. Contractor shall be obligated to notify the Department of Education as to those qualified to drive such vehicle and, to effect drivers' records checks and maintain a current and accurate list of qualified drivers.

F. The Contractor shall equip all regular route buses with FM band type communications radios. Cellular telephones may be used only in conjunction with these communications radios. These radios are to be used for daily dispatching service, as well as communicating to a regional or division supervisor. The Contractor is to supply a base station as a continual communication link between the office and route buses. All motor coaches and school buses provided on out-of-district trips must be equipped with F.M. band-type radios. Contractor must use ample repeaters so as to make it possible to communicate with the Contractor's base stations anywhere within a 75 air mile radius of

Pendleton.

G. Contractor shall provide one 4 x 4 emergency roadside repair and maintenance vehicle equipped with general tools, jacks, and safety equipment necessary to effectively respond to breakdowns, emergencies and related services.

H. Contractor shall equip all route buses with the video monitoring equipment described in paragraph 6B of this agreement.

I. Contractor shall make available for long distance activity trips or overnight trips, as a part of its own fleet, one 47-passenger motor coach bus, equipped with reclining seats, maximum luggage space and restroom or similar Student Pupil Activity Bus (SPAB) / Type 21. Upon request of the District, made with reasonable advance notice, Contractor shall provide additional motor coach buses, (SPAB) / Type 21, as may be requested by the District, either from its own fleet or by rental/lease from other source.

## **5. Schedules and Routes.**

A. Routing and scheduling of buses shall be the responsibility of the Contractor. The Contractor may describe to the District, if requested, the routes being followed. Contractor shall schedule all routes with the District's approval, in keeping with the safety of the children, so as to deliver students and so as to return them to their respective designated stops within a reasonable time after the close of the school day. The Contractor is to cooperate with the District in maintaining good public relations with the community so that any items affecting transportation can be brought to the attention of the public at the earliest possible date. All route records in the possession or custody of the Contractor shall remain the exclusive property of Contractor, and Contractor shall not be required to disclose the same to any third person or party.

B. In the designation and selection of routes, the Contractor shall be limited to operation of equipment on highways, road and streets that are owned and maintained by the State of Oregon, or any of the various cities, towns, or counties located within the District. However, where the safety of children is involved, the District, at its option, may specify that the Contractor shall operate over private roads which are maintained in condition equal to that of the maintenance provided for public roads.

C. The Contractor shall be responsible for designation of all home-to-school routes and routing systems. Regular bus routes are subject to approval by the District. Student information, age, grade, addresses, pick-up/delivery times, are to be provided for by the Contractor as part of the Contractor's own pupil management.

D. It shall be the responsibility of the Contractor to establish a student management system. This system shall include a process of registering all students in the District who qualify for home-to-school transportation. Contractor shall maintain a master list of all bus students, their addresses, grade and the AM and PM buses on which they are assigned to ride. In addition, the Contractor shall maintain this same list of students by bus route so as to provide drivers with a list of students who ride each route.

E. During inclement weather, the District has the sole responsibility of altering bus routes or canceling bus service for that day. The Contractor is to act as a resource, checking on road conditions and weather conditions in the school district boundaries, so as to provide the District with as much information as possible. Should bus service be required, the Contractor agrees that it will abide by the decision of the District and will run routes as normally as possible. The Contractor shall equip all route buses with a minimum of one set of tire chains. It shall be the responsibility of the Contractor to chain up buses when road conditions require such action and the Contractor shall include the expense of chaining up buses as part of the daily regular rate.

## **6. Student Discipline and Vandalism.**

A. Contractor shall inform the District of disciplinary problems or acts of vandalism involving any student. The District has established and will maintain policies regarding such problems or acts and the Contractor shall comply with such policies. It is the responsibility of the Contractor to implement and follow through with all student disciplinary action including but not limited to issuing misconduct citations, revoking bus riding privileges, meeting with parents, and communicating with principals and school district counselors concerning student behavior.

B. Contractor shall equip all route buses with a video monitor box capable of accommodating a functional video camera that will record and tape the interior of the bus. A functional ("live") video camera or cameras will be rotated among the buses on a schedule known only to and agreed upon by the District and the Contractor.

## **7. Rates.**

A. The home-to-school operation of buses will be on the basis of so much per day with a daily minimum of 50 miles. Mileage charges of so much per mile are to be charged beyond the 50 mile minimum daily rate for each route. Mileage is the most direct route from the bus storage facility to the start of the agreed upon route and return to the storage area.

B. Activity trips, field trips, etc., both inside and outside the District, will be charged at a rate per mile based on capacity of vehicle or bus used, plus a driver rate per hour.

C. Type 10 vehicle usage will be based on so much per mile for the total miles used.

D. The base rates for vehicles and activities described in subparagraphs 7 (A) through 7 (C) shall be as provided in Exhibit "A", three pages, attached hereto and by this reference incorporated herein.

E. For emergency canceled routes, if the routes are canceled for one or more consecutive days, the District will pay one-half (1/2) the normal home-to-school

charge for the day of cancellation, if a single day, or for only the first of two or more consecutively canceled days.

F. For students, District personnel or other persons transported by the Contractor from one district school to another at the request of the District, the District will pay Contractor sixty cents (\$.60) per minute of bus usage plus the prevailing rate for home-to-school transportation.

## **8. Rate Adjustment**

A. Except for rate adjustments made as a result of increases or decreases in the cost of fuel to the Contractor as provided in Section 9. below, all rates hereunder shall be as specified herein.

1. For the Contract duration, the base rate for all four categories of student transportation shall be increased by the previous years December to December change in the Portland CPI-U for All Urban Consumers as published by the Bureau of Labor Statistics.

2. The base rate for all rate adjustments will have a minimum of 2% and a maximum increase of 4% regardless of the increase in the Portland CPI-U for All Urban Consumers.

3. It is understood by both parties that the rates established are based on current routes and a projected number of days in the school year. Significant changes in either of those conditions impact the rates and could result in the need to negotiate new rates. Failure of the two parties to negotiate rates acceptable to both parties will result in the issue being submitted to the steps outlined in Section 20. (D.), Miscellaneous/Arbitration

## **9. Fuel**

A. At its own expense, Contractor shall provide for "on-site" dispensing and storage bulk fuel product for all diesel and/or gasoline powered buses. Bulk storage tank(s) shall be of sufficient size, minimum 12,000 gallons, so as to provide for truck/tanker delivery of bulk fuel product(s). Contractor's fuel costs to the District shall be the same fuel cost incurred by the Contractor from the fuel supplier and shall be based on bulk fuel delivery described herein.

B. In order to eliminate the cost of fuel from the negotiation process, the following method will be used to establish a fair rate of compensation to all parties involved. Should the Contractor's fuel cost exceed \$1.223 per gallon (excluding federal and state excise tax) the District may notify the Contractor for the purpose of renegotiating home-to-school transportation rates or adjusting the fuel base used by the Contractor in calculating the District's home-to-school rates.

1. The Contractor's daily bus rate and per mile rate are computed on a base fuel rate of 78.3 cents (excluding federal and state tax).

2. Daily Per Bus Rate. For each \$.025 increase or decrease in the cost of fuel to the Contractor, this rate will increase or decrease by \$.25.

3. Per Mile Rate. For each \$.025 increase or decrease in the cost of fuel to the Contractor, this rate will increase or decrease by \$.005.

#### **10. Billing and Payment of Compensation.**

The District agrees to make eleven (11) equal monthly payments each year for home-to-school transportation payable by the District on or before the fifth day of the month following the month in which the services were rendered. The final payment of the year shall be adjusted as to actual final and total annual costs. Payment is to be derived from the number of school days applied to the minimum daily rate plus an excess mileage rate as set forth in the Section 9. In addition, activity transportation shall be billed by the Contractor and payable by the District each month.

#### **11. Contractor's Personnel and Facilities.**

A. The Contractor shall employ supervisory personnel located at the Contractor's office so as to be readily available to deal with serious discipline problems, equipment failure, accidents or other emergencies that occur. In addition, the Contractor shall employ an office manager, a safety officer and the necessary maintenance personnel to safely and efficiently manage the required daily route buses.

B. The Contractor shall have a transportation shop and office located within five miles of the school district's administrative offices, capable of storing under cover and maintaining the number of route buses, activity buses and spare buses required to perform the duties as specified in this agreement.

C. The Contractor shall permit subject vehicles to be operated only by trained and competent drivers who hold a valid Commercial Drivers license (CDL), or Type 2 license, and where applicable by law, a school bus driver's license issued by the State of Oregon.

D. The Contractor shall administer a satisfactory safety program. Said program shall include but not be limited to regularly scheduled safety meetings for the Contractor's personnel, behind-the-wheel training, multi-media first aid classes, fire suppression and emergency evacuation procedures. A driver supervisor shall ride with every driver at least once each semester for the purpose of evaluating his/her driving practices with respect to safety, mechanical operation, and conformance with applicable laws, rules and regulations, including adherence to published time schedules.

E. The Contractor will make a written report within 24 hours of any accident involving a school bus, while in operation for the District.

F. It is the essence of this contract that the students be transported to and from school regularly, promptly, safely, and without interruption or incident, and that the interests of the children in such transportation shall take precedence over the interests of either the Contractor and its drivers, or the District. It shall be the primary obligation of the Contractor to provide a continuous and reliable service. It is recognized that, for the protection of the children, drivers and all other persons coming in contact with the children must be of stable personality of highest moral character and have passed the state's requirements for criminal background check through fingerprint search. The District places upon the Contractor, and the Contractor agrees to accept, the full responsibility of assuring such qualities in its personnel. The Contractor agrees that it will not knowingly allow any person to drive a school bus whose moral character is not of the highest level or whose conduct might, in any way, expose a child to any impropriety of work or conduct whatsoever, nor shall the Contractor knowingly allow any person to drive a school bus who is not at the time in a condition of mental and emotional stability.

G. The responsibility for hiring and discharging personnel, in respect to all of the foregoing, shall rest entirely upon the Contractor and the Contractor agrees that it shall enter into no agreement or arrangement with any employee, person, group or organization which will in any way interfere with the Contractor's ability to comply with this requirement. The Contractor further agrees to employ local people when at all possible, and to submit for District approval the names and qualifications of all drivers who shall operate school buses.

## **12. Affirmative Action**

Contractor agrees that in the performance of this contract it will not unlawfully discriminate against any person by reason of an individual's race, religion, color, sex, national origin, marital status, or age or because of the race, religion, color, sex, national origin, marital status or age of any other person with whom the individual associates. The Contractor further agrees not to unlawfully discriminate against any disabled person or person who is perceived as having a disability in the performance of this contract.

## **13. Insurance and Indemnity.**

A. Contractor shall obtain at Contractor's expense and keep in effect during the term of this contract, Commercial General Liability Insurance covering bodily injury and property damage. This insured shall include personal injury coverage, contractual liability coverage for the indemnity provided under this contract and products/completed operations liability. Combined single limit per occurrence shall not be less than \$1,000,000 or equivalent. Each annual aggregate limit shall not be less than \$2,000,000 where applicable.

Coverage

**General Liability**

	Amount
Each Occurrence:	\$1,000,000
General Aggregate	\$2,000,000
Medical Payments per person	\$ 5,000
Umbrella/Excess Liability	\$9,000,000

Or total occurrence of no less than \$10,000,000 for all coverage combined

B. Contractor shall obtain at Contractor's expense, and keep in effect during the term of this contract, Automobile Liability Insurance covering bodily injury and property damage. Combined single limit per occurrence shall not be less than \$1,000,000 or equivalent.

C. Contractor shall obtain at Contractors expense, and keep in effect during the term of this contract, Umbrella Excess Liability Insurance. Single limit per occurrence and aggregate shall not be less than \$10,000,000.

D. In addition to the insurance coverage otherwise set forth in this Section 13, Contractor shall maintain collision insurance on Contractor's activity trip suburban vehicles driven by District employees with a deductible not more than \$1,000. Further, if there is damage to the Contractor's suburban while in the care/custody and control of District or District employee, the Contractor agrees to pay the first \$250 of such deductible (damages), the District agrees to pay the next \$750 of deductible (damages), and the Contractor's insurance will pay any further costs associated with damages.

E. Contractor shall provide Workers Compensation Insurance covering all employees engaged in delivery services to the District during the entire period of the contract and provide evidence of such insurance.

F. Contractor shall name the District, its officers and Board Members as additional insured and shall furnish District with a copy of such insurance policy or policies or other satisfactory evidence of same.

G. In addition to the insurance requirements set forth above, the Contractor shall defend, indemnify and hold harmless the District, its officers, board members and employees, from and against any and all claims, costs, expenses (including attorney fees), losses, damages, fines, charges, actions, or other liabilities of any description arising out of or in any way connected with Contractor's performance of work or any activity associated therewith, or related thereto, including, but not limited to, any claims allegedly caused in whole or in part, whether or not in fact, by reason of operation of the buses by Contractor, its employees and agents, whether such claims are based in contract or tort.

Notwithstanding any statement or inference to the contrary, set forth above, nothing in this paragraph shall require Contractor to defend, hold harmless or indemnify District or related parties for the negligence or fault of the District or related

parties.

#### **14. Compliance with Law.**

A. The Contractor agrees to abide by the provisions in Oregon Revised Statutes, Chapter 279, Public Contracts and Purchasing, that pertain to this contract, including but not limited to:

(1) ORS 279.312: Conditions of public contracts concerning payment of laborers and material, contribution to Industrial Accident Fund, liens and withholding taxes;

(2) ORS 279.314: Conditions concerning payment of claims by public officers;

(3) ORS 279.316: Conditions concerning hours of labor;

(4) ORS 279.320: Conditions concerning payment of medical care and attention to employees; and

(5) ORS 279.334: Maximum hours of labor on public contract, holidays, exceptions.

B. During the entire term of this agreement, the Contractor shall comply in every respect with all laws, rules and regulations of the State of Oregon affecting or regulating the transportation of school children including, but not limited to the Motor Vehicle Code, and rules promulgated by Oregon Department of Education.

C. Transportation shall be provided in accordance with the provisions of the rules, regulations and statutes prevailing in the State of Oregon.

#### **15. Termination of Contract.**

A. Default.

Should the Contractor fail to comply with any of the terms or conditions set forth in this agreement, or should the Contractor become in any way unfit, unqualified or unable to perform all of its duties under this contract, then and in that event, with sixty (60) days written notice to the Contractor, this agreement may be terminated.

B. Funding.

Oregon state law currently requires the District to provide transportation for its students, for which the state provides partial reimbursement to the District. In the event this law is changed, so that the District no longer is legally mandated to provide such services, the District shall perform its obligations under this contract as long as it has funds available to it to budget and spend on student transportation that equals or exceeds

the funds budgeted and available for it to spend on student transportation on the date of this agreement; provided, however, that after the first year of this contract in each subsequent year of this agreement the District shall be entitled to reduce the amount it is otherwise required to pay to Contractor under this agreement in an amount not to exceed thirty (30%) percent of the amount it budgeted for student transportation in the preceding year, and if it does so, the Contractor shall be entitled to reduce the services it is required to provide to the District by the same percentage that the District elects to reduce its contractual obligations to the Contractor. Notwithstanding anything herein to the contrary, this agreement shall not require the District, its board, committees or administration, to violate any law governing the matters which are the subject of this agreement.

C. Force Majeure.

It is agreed by the parties that in the event the Contractor is unable to provide transportation service as herein specified because of acts of God, fire, riot, war, picketing, civil commotion, strikes, labor disputes, or any other similar condition, the District shall excuse the Contractor from performance hereunder and shall have the right to take over the operation of such buses that the Contractor is prevented from running with such school employees or other persons as the District may deem appropriate until the Contractor is able to resume operation. The Contractor shall keep all such buses serviced and fueled for the District's use at all times. The District shall pay to the Contractor for such buses the same amount specified in the rate schedule less all reasonable expenses and costs incurred by the District in securing the services of said operation personnel.

**16. Books and Records.**

Contractor shall maintain its books in accordance with generally accepted accounting principles and it will annually at its own expense have its books reviewed by an independent certified public accountant unless excused in writing by the District. In the event of a dispute between the District and Contractor regarding rate adjustments, Contractor shall make available its books to an independent examiner selected by the District upon the District's request. The District shall keep all information obtained in such an examination confidential.

**17. Reports.**

Contractor shall furnish the District information necessary for the District to make transportation reports to the State of Oregon. Contractor shall make such special reports, studies and surveys regarding pupil transportation as are reasonably necessary to the District.

**18. Severability.**

Should any provision of this agreement or the application thereof, to any

extent, be held invalid or unenforceable, the remainder of this agreement and the application thereof other than those provisions as to which it shall have been held invalid or unenforceable, shall not be affected thereby and shall continue valid and enforceable to the fullest extent permitted by law or equity.

**19. State or Federally Mandated Changes in School Bus Regulations.**

It is recognized by the parties hereto: (1) That compensation as provided in this contract covers current state and/or federally mandated student transportation regulations, including school buses and motor coaches; (2) That significant changes in current state and/or federal mandates regarding school bus and motor coach transportation are subject to change during the term of the contract; (3) That such change in cost cannot be determined in advance; (4) That confirmed costs due to mandated changes not covered by other funding sources, shall be subject to negotiation for responsibility of payment.

**20. Miscellaneous.**

**A. Attorney's Fees.**

In the event suit or action is instituted to enforce this agreement, or to enforce any of the terms hereof, the prevailing party shall be entitled to such sums as the court may adjudge reasonable as attorney's fees in said suit or action.

In the event of an appeal from a judgment or decree in any suit or action brought to enforce any of the terms or conditions of this agreement, the prevailing party shall be entitled to such sums as the court may adjudge reasonable as attorney's fees in such an appeal.

**B. Assignment.**

The Contractor shall not sell or assign the agreement, nor any interest herein, nor shall it subcontract any part thereof, without prior written approval of the District; provided, however, that Contractor may at times assign this contract and all of its rights and duties hereunder, to Pendleton Bus Co., a subsidiary company of Contractor, and Contractor may perform its obligations through any of its divisions.

**C. Security for Performance.**

Following receipt of 15-days written notice by the District, Contractor shall furnish to the District Business Manager, financial data including profit and loss statement and balance sheet, as they relate to MIDCO operations in the Pendleton School District, for review by the District. Such financial information shall remain confidential while in the District's care, custody and control. After review by the District, all financial information submitted to the District shall be returned to the Contractor and shall not become a part of the public record.

Following receipt of 15-days written notice by the District, Contractor shall, at its sole cost, secure and furnish to the District an irrevocable letter of credit from a bank which shall commit such bank to make payment to the District in an amount or amounts not exceeding twenty thousand dollars (\$20,000.00) total, on demand of the District when the Contractor has breached this contract in a way or ways that has resulted in ascertainable financial damage to the District. The term "on demand of the District" is defined to mean a written letter, sent by certified or registered mail, from the District to the bank, stating that the Contractor has breached its agreement with the District, that such breach has resulted in ascertainable financial damage to the District in a certain, stated amount and demanding that the bank fulfill its letter of credit by payment of the specified sum to the District. A copy of such written notice shall be simultaneously mailed by the District to the Contractor. This irrevocable letter of credit shall remain in full force and effect throughout the term of this agreement. Before making any demand for payment to the issuing bank under the letter of credit, the District agrees to give Contractor written notice of its intention to do so at least fifteen (15) days before making any demand for payment on the bank.

D. Arbitration.

The parties agree that any dispute or controversy which may arise under this agreement shall be settled by binding arbitration. A party who deems that a dispute or controversy exists shall notify the other party in writing of such fact. Such notification shall contain the name of an arbitrator selected by the party giving the notice. The party to whom such notification is given shall, within five (5) days of the receipt thereof, notify in writing the party first giving notice of the name of an arbitrator chosen by it. The two arbitrators so selected shall, within ten (10) days of the selection of the last of them to be selected, agree upon and designate a third arbitrator, and the decisions of any two of the arbitrators shall be binding upon the parties. Each party shall pay the fees and expenses of the arbitrator chosen by that party, plus one-half (1/2) of the fees and expenses of the third arbitrator.

E. Amendment

This agreement may not be amended or modified except by written agreement executed by the parties.

F. Binding Effect.

This agreement shall be binding upon and operate to the benefit of the parties and their respective successors, and permitted assigns.

G. Notices.

All notices and other communications under this agreement must be in writing and will be deemed to have been given if delivered personally, sent by facsimile (with confirmation), mailed by certified mail, or delivered by an overnight delivery services (with confirmation) to the parties at the following addresses or facsimile numbers or at such other address or facsimile number as the party may designate by like notice to the

other party:

To: Pendleton School District 16R  
Attn: \_\_\_\_\_  
107 NW 10<sup>th</sup> Street  
Pendleton, OR 97801  
Facsimile: \_\_\_\_\_

To: Mid Columbia Bus Company, Inc.  
Attn: \_\_\_\_\_  
P. O. Box 1108  
Pendleton, OR 97801  
Facsimile: \_\_\_\_\_

H. Waiver.

Any failure of any party to comply with any obligation, covenant, agreement, or condition in this agreement may be waived by the party entitled to the performance of such obligation, covenant, or agreement or by the party who has the benefit of such condition, but such waiver or failure to insist on strict compliance with such obligation, covenant, agreement, or condition will not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

I. Integration.

THIS AGREEMENT CONTAINS THE FINAL AND EXCLUSIVE AGREEMENT AND UNDERSTANDING OF THE PARTIES WITH RESPECT TO THE SUBJECT MATTER OF IT, AND SUPERSEDES ALL PRIOR AND CONTEMPORANEOUS AGREEMENTS, ORAL OR WRITTEN, EXCEPT AS SET FORTH IN THIS AGREEMENT, THERE ARE NO PROMISES, REPRESENTATIONS, AGREEMENTS OR UNDERSTANDINGS, ORAL OR WRITTEN, AMONG THE PARTIES RELATING TO THE SUBJECT MATTER OF THIS AGREEMENT.

J. The exhibits referenced in this agreement are a part of this agreement as if fully set forth herein.

**PENDLETON SCHOOL DISTRICT 16R**

By: \_\_\_\_\_  
**Superintendent**

**MID COLUMBIA BUS CO., INC. dba  
PENDLETON BUS COMPANY AND  
MID COLUMBIA CHARTERS**

By: \_\_\_\_\_