



School District __, __, Minnesota

(Note: Use your own legal title)

PUPIL TRANSPORTATION SERVICES AGREEMENT

In accordance with Minn. Stat. 123(b).52, subdivision 1 or 3, this agreement is made and entered into as of the ___ day of __, (year), by and between School District __, (city) __, __ County, Minnesota, hereinafter called "District" and __, hereinafter called "Contractor."

WITNESSETH

WHEREAS, District has selected Contractor to provide the pupil transportation services described herein; and

WHEREAS, Contractor desires to provide such pupil transportation service to the District,

NOW, THEREFORE, in consideration of the covenants hereinafter contained, the parties agree as follows:

1. TERM

The term of this agreement shall commence July 1, xxxx and shall continue through June 30, xxxx. For Purposes of this Agreement, the term "Contract Year" shall mean each one year period commencing July 1 during the term of this Agreement. In addition, the District parties reserves the right to negotiate extensions to the contract.

(Note: Length of the agreement should be two years.)

2. SCOPE OF SERVICES REQUIRED

Contractor shall, during the term of this Agreement, supply and maintain such number of school buses and personnel as are required to fulfill District's needs for pupil transportation services as described in the Specifications for Pupil Transportation Services, see Appendix B which is incorporated in this Agreement.

3. COMPENSATION AND BILLING

In consideration for services rendered hereunder, District shall pay to Contractor all sums due and owing and calculated in accordance with the rates set forth in Appendix A attached hereto and made a part hereof, as may be adjusted from time to time as provided herein.

Basic Transportation:

Regular To and From, Midday and Specialized Services Transportation

In consideration for services rendered hereunder, District shall pay to Contractor all sums due and owing and calculated in accordance with the rates set forth in Appendix A attached hereto no later than 30 calendar days after the receipt of invoice.

(Best Practice: District should establish a pay schedule)

Supplemental Transportation

In consideration for services rendered hereunder, District shall pay to Contractor all sums due and owing and calculated in accordance with the rates set forth in Appendix A attached hereto for the service categories - all other school transportation services, extra-curricular and athletic trips, and activity and field trips. After verification of the statement, District shall pay the amount due to Contractor within 30 days of receipt of invoice.

4. FUEL COST ADJUSTMENT (Optional)

Contractor shall furnish all fuel to be used in its performance of this agreement with copies of invoices to be provided to the district monthly. Contractor's "Base Fuel Cost" shall be \$x.xx per gallon (gasoline or diesel) exclusive of applicable federal gasoline taxes. The Contractor's invoice shall include an adjustment for increases or decreases in fuel costs calculated by multiplying (i) the number of gallons of fuel purchased by the Contractor for consumption in the performance of this agreement by (ii) the difference between the appropriate Base Fuel Cost and the average price per gallon of fuel paid during the month for which the invoice is issued.

(Best Practice: A fuel cost adjustment is highly recommended. While subject to negotiation, consideration should be given to having a fuel cost adjustment for both increases and decreases in fuel cost during each year of the term.)

5. CONTRACTOR RESPONSIBILITIES

Upon request, Contractor shall provide the District preceding each Contract Year with a "service plan for pupil transportation services." Contractor shall work with District's Administration or designee in planning services and otherwise implementing the Agreement. The "service plan" must include at a minimum the following:

- a. list of drivers, both primary and substitutes
- b. list of bus and van equipment that will be used in providing the contract services, along with make of equipment, year of manufacture, mileage, vehicle type, passenger size, and special equipment.
- c. Staffing plan of employees, in addition to the above drivers, who will be assigned to fulfill the responsibilities contemplated in the Contract.
- d. Insurance information required by the Agreement.
- e. Staff training plan including materials and schedule.

(Optional) District shall notify Contractor whenever changes are necessary in routes, stops, and schedules and Contractor shall make a reasonable effort to adjust its operations to incorporate such changes within two (2) business days after notice is received from District. The Contractor is encouraged to recommend changes in bus stops and routes and must receive prior District approval before implementing said changes.

(Note: District should determine who has routing and implementation/communication responsibilities)

(Best Practice :) Upon request, the Contractor shall furnish the number of buses and drivers necessary for Annual Orientation/Practice Day.

*(Best Practices) The Contractor shall support student bus and traffic training classes at the beginning of each school year at each school. Evacuation practices will be conducted yearly.
(Best Practices recommends twice yearly)*

6. RECORDS AND REPORTS

Contractor shall provide those reports and records, which may be reasonably requested by District and necessary for proper payment, for evaluation of Contractor's performance or for state and District reporting hereunder. Reports may include, but are not limited to:

- Crash Reports
- Student Discipline Reports
- Bus Inspections
- Monthly or Yearly Mileage, Hour or Route Reports
- Bus Ridership Reports - for each route including special education transportation routes
- Driver Qualification Reports

7. STATUS OF CONTRACTOR

In the interpretation of this Agreement and the relations between Contractor and District, Contractor shall be construed as being an independent contractor hired to provide pupil transportation services only. Neither Contractor nor any of its employees shall be held or deemed in any way to be an employee or official of the District. Contractor shall be responsible for, and hold district harmless from any liability for unemployment taxes or contributions, payroll taxes or other federal or state employment taxes.

8. INSURANCE

Contractor shall, at its expense, procure and keep in force during the entire term of this Agreement, public liability and property damage liability insurance protecting District, its board, officers, employees and agents, and Contractor, its drivers and other personnel. Contractor must provide the above referenced insurance with the following minimum limits:

Minimum limits of insurance shall be:	Per Person	Per Accident
Bodily injury liability	\$500,000	\$1,500,000
Property Damage liability		\$100,000
Medical Payments	Statutory Coverage	
Worker's Compensation	Statutory Coverage	
Umbrella Liability	\$5,000,000	\$5,000,000

(Note: Refer to current state minimum requirement. Best Practice encourages District to increase amounts.)

Contractor agrees to provide District a certificate of insurance evidencing such coverage and designating District as an additional insured. Worker's compensation insurance shall be maintained as required by law. All insurance policies shall provide that no coverage shall be cancelled except by thirty (30) days written notice to District.

9. INDEMNIFICATION

Contractor shall hold District, its governing board, officers and employees harmless and does hereby indemnify District, its governing board, officers and employees from and against every claim or demand which may be made by any person, firm or corporation, or other entity arising from or caused by any act of neglect, default or omission of Contractor in the performance of this Agreement, except to the extent that such claim or demand arises from or is caused by the negligence or willful misconduct of District, its agents or employees. The Contractor also agrees to indemnify and save the District harmless from any claims involving personal injury or property damage arising out of, or in the course of, Contractor's acts in providing transportation of assigned pupils.

To the extent permitted by law, District shall hold Contractor, its officers, employees, agents, successors and assigns harmless and does hereby indemnify Contractor, its officers, employees, agents, successors and assigns from and against every claim or demand which may be made by any act neglect, default or omission of District, its governing board, officers, employees or agents, except to the extent that such claim or demand arises from or is caused by the negligence or willful misconduct of Contractor, its agents or employees.

10. EQUAL EMPLOYMENT OPPORTUNITY REQUIREMENT (E.E.O)

Contractor must show evidence of a non-discriminatory equal employment opportunity program in the selection of employees that follow the guidelines established by District E.E.O. program. Such program must provide E.E.O. opportunities regardless of person's race, creed, sex, national origin, and sexual orientation, or any other characteristic protected under state or federal law.

11 CONTRACT SECURITY (Optional)

Contractor may be required to furnish District with performance security in an amount of 100% of performance of Contractor's duties under this Agreement. Such contract security may be in the form of a performance bond or other security acceptable to District and Contractor. District reserves the right to waive the performance security.

12. FORCE MAJEURE

In the event Contractor is unable to provide the transportation services herein specified because of any act of nature, civil disturbance, fire, flood, war, governmental action, labor dispute involving District personnel, picketing, strike, or lockout, or any condition or cause beyond Contractor's control, District may excuse Contractor from performance under this Agreement.

13. FAILURE TO DELIVER & PENALTIES

If by any reason of any acts of nature, fires, strikes, present or future laws, ordinances, government orders, rules or regulations, the Contractor shall be prevented from carrying out the terms of this Agreement, District shall have the right to hire others to continue service, and operating expenses incurred will be deducted from payments owed to Contractor.

14. INCLEMENT WEATHER / SCHOOL CLOSINGS

In the event of inclement weather or impassability of roads or whenever school is cancelled, delayed or is dismissed early, District shall notify Contractor not later than xxx hours prior to such cancellation or delay. Should the number of days transportation is required to decrease during the school year, as a result of weather conditions, strikes, gas shortages, school closing and emergencies, the base contract will be decreased by an amount equal to xx% of the daily contract charge per day decreased.

(Best Practice: It is recommended that District have a detailed cancellation/delay plan, including necessary reimbursement considerations.)

15. EMERGENCY RESPONSE PROGRAM

Contractor shall understand and participate in the District Emergency Plan. In addition, Contractor shall develop and implement an emergency plan responsive to the District Emergency Plan. District may review and require changes or additions to plan.

16. MANAGEMENT PERSONNEL (Optional)

The contractor shall designate a permanent regular, full-time manager/supervisor to be directly responsible for the provision of all services required in the District contract. The manager/supervisor will be responsible for providing safe and efficient transportation services required by this Agreement and will supervise necessary support staff required for on-site management. This person shall work with the District Designee for purposes of service coordination. The District expects that the manager/supervisor is an experienced person who has demonstrated skills for fulfilling the responsibilities of this Agreement. Contractor shall inform District of the name(s) and business address(s) of such management personnel. The District reserves the right to interview and approve the Manager.

(Note: Depending on the size of your district and your expectations, you may want to add or modify this section.)

17. OPERATIONS PERSONNEL/DRIVER QUALIFICATIONS

Contractor shall employ a sufficient number of qualified drivers and support personnel to assure District of continuous and reliable service. The Contractor will consistently conduct a proactive recruitment campaign and periodically update the District on these efforts (may not be necessary to include). Contractor shall provide qualified drivers, trained and licensed in accordance with the laws of this State and the rules and regulations of District. Accordingly, Contractor agrees that each driver shall:

- a. Possess a valid license issued by this State (or a reciprocal state) authorizing such person to operate a school bus.
- b. Be certified by a duly licensed medical practitioner as medically qualified and free of medical or physical conditions, which, absent reasonable accommodation, would limit safe operation of a school bus qualified without reasonable accommodation, to safely operate a school bus. The physical examination shall be conducted prior to employment and periodically thereafter as required by State law.
- c. Successfully complete a course of training, including instruction in school bus safety, student discipline, human relations, behind-the-wheel school bus driving instruction, defensive driving, first aid, use of fire extinguisher, traffic laws, and applicable District policies and regulations.
- d. Possess a satisfactory driving record and criminal history record, after review of such records prior to employment and periodically thereafter to the extent permitted or available by law.
- f. Satisfy all applicable requirements of the U.S. Department of Transportation, Federal Highway Administration in rendering transportation services regulated by that agency.
- g. Meet any other criteria required by State law or by District's policies, rules or regulations.

Contractor shall hold each driver responsible for:

- a. Supervising the safe loading and unloading of his or her bus at every pick-up and delivery point.
- b. Keeping informed of all rules and regulations affecting the safe operation of school buses and standards of conduct.
- c. Complying with all federal, state and local traffic laws while operating buses under this agreement.
- d. Carrying appropriate identification at all times while on duty.
- e. Carrying a timepiece while on duty so that the driver can maintain established schedule times.
- f. Communicating to Staff any issues or needs related to the route assignment and all passengers transported.

A driver orientation and instruction program will be provided before a driver is allowed to drive while students are on board. Training must include:

- a. Enough to safely operate the type of school bus the driver will be driving
- b. Emergency procedures
- c. Student Management procedures, including issues relating to students with disabilities
- d. Knowledge of relevant laws, rules of the road, and local school bus safety policies
- e. Knowledge of student loading and unloading procedures

(Best Practice: These are state laws. District may want to require longer or additional training.)

(Best Practice: District may want to detail training for additional support staff including aides, mechanics, and dispatchers)

(Optional) An ongoing performance monitoring and assistance program should include:

- a. Random drug testing
- b. Daily observance of employees to detect violations of drug policy
- c. Advance knowledge of routes, including substitutes
- d. Route accuracy including proper stops and updated paperwork
- e. Demonstrated driver-passenger professionalism
- f. Competency in physically driving the assigned vehicle and equipment

Contractor shall take reasonable steps to prevent its employees from exposing any student to impropriety of word or conduct. Contractor shall not knowingly permit its drivers to smoke on the bus nor to drink any intoxicating beverage or be under the influence of drugs or alcohol while operating any bus. Contractor shall regulate the use of prescription and non-prescription drugs, which impair the safe operation of the bus. Contractor shall enforce all District Rules and Regulations in place.

Contractor shall be responsible for hiring and discharging personnel employed by Contractor to perform its obligations hereunder; provided, however, that District shall have the right to require Contractor to remove from service under this agreement any employee who, at District's sole discretion, is deemed unsuitable for the performance of transportation services for District; and provided further that District shall make such request in writing and state the reasons therefore.

18. EQUIPMENT

All school buses supplied by Contractor pursuant to this Agreement shall meet or exceed the standards established by the laws and regulations of the State and the United States. Contractor shall maintain the school buses used to provide pupil transportation services under this Agreement in accordance with law and accepted industry maintenance standards. District reserves the right to request maintenance records at any time during Agreement.

(Best Practice: It is a recommendation that an age limit and replacement schedule are in place. District may determine their own requirements. Factors to take into consideration could include annual mileage, current safety features, body condition of buses and replacement costs)

Here is an example of how to determine a replacement schedule.

Buses supplied by the Contractor will be no older on July 1 on any contract year, unless approved by District, than:

- 25% - xx years old or newer
- 50% - xx years old or newer
- 75% - xx years old or newer
- 100% - xx years old or newer

Age of vehicle maybe determined by date indicated on manufacturer's plate or date put into service.

Contractor shall provide buses in sufficient number to efficiently transport all students for whom District orders services, including an adequate number of spares.

(Best Practice: Spare buses include buses available for extra-curricular trips also. Take careful consideration when determining the number of spare buses required. Also, District may want to consider allowing older buses as spares with a certain age cut-off)

Buses shall be of sufficient capacity to permit every student transported to be seated in conformance with State laws at all times. Buses must be clean, neat-appearing and display appropriate exterior and interior markings as required by state law.

INTERIOR MARKING (Optional)

- a. All vehicles will display a poster of "Student Bus Behavior Rules"
- b. All vehicles will display a poster of "School Bus Danger Zone"

(Optional) Properly working two-way radios shall be in each bus used to provide services under this Agreement

(Best Practice: There are other options besides two-way radios. Be aware of what works best for your District)

Contractor must provide contingency plan for vehicles that operate beyond range of two-way radio signal.

ADDITIONAL DEVICES AND EQUIPMENT REQUIRED

(Best Practice: A school bus built to Minnesota State Specifications is a safe bus. However, there is an extensive list of options that can be added to a bus to improve on safety, comfort, and efficiency. Please refer to the State Bus Purchase Plans to view a full list of options from each manufacturer.)

19. FACILITIES *(There are two ways of doing this)*

The District Transportation Facility is located at _____. Contractor will house fleet, staff and perform maintenance at this facility. District will provide facility upon signed lease agreement with Contractor (separate.) Lease agreement will be standard type triple net lease with Contractor being responsible for normal maintenance, taxes, insurance, and utilities. Base rent will be \$x.xx.

-or-

Contractor shall provide a facility that enables the Contractor to respond to an emergency within ___ minutes. The location of the facility shall not impact the contract.

Contractor must equip facility with proper furniture, facsimile machine, maintenance equipment, and basic comforts for staff and employees.

Contractor must provide adequate phone lines and a facsimile machine. Contractor must provide a 24-hour answering "service."

Facility must be equipped with internet service, and all staff must have access and e-mail capabilities. (if available)

(Note: It's important to require a Contractor to be easily accessible during emergencies and after hours.)

20. STUDENT DISCIPLINE/VANDALISM

The ultimate responsibility and authority to suspend or expel any student from transportation services hereunder shall rest with District. Contractor's drivers are responsible only for such discipline as is required to safely and properly operate Contractor's buses. Each driver shall handle all disciplinary matters in strict accordance with District policy. In no case will a driver eject a student from a bus without authorization. All discipline problems shall be reported in writing following completion of the route. Procedures and regulations for the administration of discipline shall be established cooperatively between District and Contractor.

(Note: District may have a different way of handling student discipline)

Vandalism damages to Contractor's equipment or facilities shall be the responsibility of Contractor. However, District shall give Contractor reasonable assistance in obtaining restitution for damaged equipment or facilities.

21. ASSIGNMENT

The Contractor shall not assign or transfer any part of the obligation and responsibility in this contract without the prior written approval of the District.

22. TERMINATION

If either party shall willfully violate any of the covenants or duties imposed upon it by the Agreement, such material willful violation shall entitle the other party to terminate this Agreement. The party desiring to terminate for such cause shall give the offending party thirty (30) days written notice to remedy the violation. If at the end of such time the party notified has not removed the cause of complaint or remedied the purported violation, then this Agreement shall be deemed terminated.

District and Contractor agree to meet and make good faith efforts to resolve any disputes within thirty (30) days of the development of any dispute, prior to filing any action in a court of competent jurisdiction. Good faith efforts may include mediation and arbitration by mutual agreement.

23. PLACE OF CONTRACT

This Agreement shall be deemed to be made in and shall be construed in accordance with the laws of the State of Minnesota. All references in the contract to the "State" shall mean State of Minnesota.

24. SURVIVAL

The mutual obligations described in COMPENSATION AND BILLING; and INDEMNIFICATION hereof shall survive the termination or expiration of this Agreement.

25. SEVERABILITY

In the event any provision specified herein is held or determined by a court of competent jurisdiction to be illegal, void or in contravention of any applicable law, the remainder of the Agreement shall remain in full force and effect.

26. MODIFICATION

Contractor and District may modify the terms of this Agreement in whole or in part as circumstances may justify by mutual written agreement executed by the duly authorized representatives of the parties.

27. NOTICE TO PARTIES

All notices to be given by the parties to this Agreement shall be in writing and served by depositing same in the United States Mail, postage prepaid, registered or certified mail.

Notices to District shall be addressed to:

Transportation Coordinator

District ____

Address

Director of Finance and Operations

District ____

Address

Notices to Contractor shall be addressed to: (Contractor)

Either District or Contractor may change its address of record for receipt of official notice by giving the other written notice of such change and any necessary mailing instructions.

28. ENTIRE AGREEMENT

This Agreement sets forth the entire agreement between District and Contractor concerning the subject matter hereof. There are no prior representations, either oral or written, between District and Contractor other than those contained in this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this _____ day of _____ 200x.

XXXXXXXX.

By: _____
Officer of Contractor

By: _____
Chair, Board of Education

By: _____
Clerk, Board of Education

(Note: Appendix A, B, RATES, shall be attached)