

STUDENT TRANSPORTATION CONTRACT

THIS AGREEMENT is made and entered into as of the 29th day of May 2012, by and between Independent School District 152 (Moorhead), Moorhead, Clay County, Minnesota, with its District Office at 2410 14th Street South, Moorhead, Minnesota 56560, Minnesota, hereinafter called "District" and Richards Transportation Service (Richards) with its office at 2139 100th Avenue North, Moorhead, Minnesota 56560, hereinafter called "Contractor."

WITNESSETH

WHEREAS, Moorhead desires student transportation services to transport certain of its students served by District during the school year.

WHEREAS, Contractor operates a school bus service within and about the geographical boundaries of District.

WHEREAS, pursuant to Minnesota Statutes 2011, Section 123B.52, District solicited written quotations for student transportation services and, after receiving written quotations and completing negotiations, has selected Contractor to furnish student transportation services to certain District students in accordance with the terms defined herein.

NOW THEREFORE, in consideration of the mutual covenants and conditions agreed to and contained herein, District and Contractor agree as follows:

1. TERM

The term of this Agreement shall commence July 1, 2012 and shall continue through July 31, 2014 consistent with Article 4, Section 4.1 of the General Specification for Student Transportation Services (SPECIFICATION). For purposes of this Agreement, the term "Contract Year" shall mean each one-year period commencing August 1 during each year of the term of this Agreement starting with Contract Year 2.

a. Extension of Term

This Agreement may be extended, at the discretion of the District with the consent of the Contractor consistent with SPECIFICATION Section 4.2 for an additional one (1) or two (2) year period, not to exceed a total of two (2) additional years, based on the terms as the parties have mutually agreed to and included in Exhibit A. All terms and conditions will remain the same except for applicable compensation adjustments described in this Agreement and the SPECIFICATION made a part hereof.

The District shall meet with the Contractor by February 28, 2014, during the second Contract Year, to evaluate the Contractor's performance relative to the requirements in this Agreement. Should the District determine the Contractor's performance has met District expectations, the District administration will make a report to the Board of Education. Should the District determine the Contractor's performance has not met District requirements and expectations, the District administration may make a report to the Board of Education of its desire to not extend the existing Agreement for either or both of the two (2) additional years identified in this section. The Contractor agrees that the District could with notice terminate this Agreement on that basis.

2. SCOPE OF SERVICES REQUIRED

Contractor shall, during the term of this Agreement, provide student transportation services to certain students identified by District and attending a public school, a non-public or charter school located within or outside the geographical boundary of the District or a school, and provide such number of school buses and personnel as are required to fulfill District's needs for student transportation services as described in SPECIFICATION, which is incorporated in this Agreement.

- a. The SPECIFICATION is incorporated by reference into this Agreement, except for any item modified in this Agreement document and the District motion approving the Agreement.

- b. The District shall assign routes and services to the Contractor, which might deviate in quantity and type from Section 3.1 of the SPECIFICATION.
- c. **During Contract Years 2012-13 and 2013-14, the regular "to & from" routes assigned to contract service providers by the District will not be less than seventeen (17) regular "to & from" routes.**
- d. Nothing in this Agreement shall limit District's rights or responsibilities or prohibit District from exercising such rights and responsibilities outlined in the SPECIFICATION or state law relative to student transportation services.

3. CALENDAR

SECTION 3.1: Scope of Transportation Services is modified as follows:

The School Year consists of 172 student days for grade 1-12 students and 170 student days for kindergarten students.

4. 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 for services set forth in SPECIFICATION and Exhibit A attached hereto and made a part hereof, which may be adjusted from time to time as provided herein.

a. Regular To and From Route Services

District shall pay to Contractor by the 15th of each month, September through May during each year of the term of this Agreement an amount calculated by dividing the annual amount by nine (9) payments. Any payment adjustments will be made, if necessary, with a last payment on or about June 15th each year.

b. Special Education and Special Needs Transportation and Other Transportation Services

Contractor will submit to District a statement of these services rendered during the preceding month not later than the 15th working day after the end of each month during the term of this Agreement. After verification of the statement, District shall pay the amount due to Contractor on or before the twenty-fifth (25th) day after receiving the statement.

- c. The Contractor will cooperate with the District to establish a billing format and matrix for the appropriate allocation of the regular and special needs route services, and other services, among the funding sources for these services as identified and shown in Exhibit A.
- d. If the number of scheduled days is increased or decreased, the Contractor shall be paid for the number of days transported.
- e. In the event the District cancels school, the parties agree that the District will compensate the Contractor with payment of 50% of a full-day charge for regular and special education routes with remaining 50% paid on the day when the cancelled services are rescheduled and provided, if at all.

5. PROGRAM GROWTH

Pursuant to SPECIFICATION Section 3.6, the District will reserve the right to increase or decrease the number of buses or vans and modify the scope of services described in SECTION 3.1 of this SPECIFICATION over the term of the Contract(s), based on the terms described in this SPECIFICATION. The cost of the added or reduced buses or vans will be at the unit cost approved in the Contract(s). Should the program significantly change in scope, e.g. **four-day week**, either party may request, following provisions in the Contract, that appropriate pricing adjustments be considered.

6. CONTRACT SECURITY

In consideration of the recent contractual relationship between District and the Contractor, District waives Section 6.2 of the SPECIFICATION at this time. The District reserves the right, at its sole discretion, to cancel or modify this waiver should conditions occur that the District determines requires surety in the form of contract security or other for the performance of this Agreement.

7. OTHER PROVISIONS

Contractor agrees to comply with the following:

a. District Crisis Management Policy

The Contractor will be familiar and will comply with District crisis management policy and plans where applicable.

b. Force Majeure

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

c. Assignment

The services contemplated under this Agreement are deemed to be in the nature of personal services. The Contractor, without the prior consent of the District, shall not assign this Agreement. The parties agree that assignment by Contractor of any sums due and owing Contractor under this Agreement shall not constitute an assignment of the Agreement.

d. Subcontract

The Contractor shall not subcontract any of the services required to be performed in this Agreement, unless the Contractor has received the full prior consent of District.

e. Termination

If either party shall willfully violate any of the covenants or duties imposed upon it by this Agreement, such 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.

f. Survival

The mutual obligations described in this Agreement shall survive the termination or expiration of this Agreement.

g. 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 this Agreement shall remain in full force and effect.

h. Modification

District and Contractor 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. All other terms and conditions will remain as described in this Agreement.

i. Governing Law

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 this Agreement to the "State" shall mean the State of Minnesota.

Independent School District 152, Moorhead, Minnesota
GENERAL SPECIFICATION FOR STUDENT TRANSPORTATION SERVICES

APPENDIX A – Richards Transportation Service

APPENDIX A-1: COST QUOTES FOR STUDENT TRANSPORTATION SERVICES

The COST QUOTES for each year of the term shall be submitted based on a maximum of 172 days of school operation and 170 days for kindergarten students.

“Basic” Services

SCHOOL YEAR 2012-13 [Year Ending July 31, 2013]

1. **Regular “To and From” Routes.** The cost for all regular “to and from” routes, home-to-school transportation, for the days of school operation A.M. and P.M., using one of the following unit costs

Bus Size	Cost Per Route-Day	Cost Per ½ Route-Day	Cost per Year
83-90 Passenger Bus	\$270.00	\$135.00	XXXXXX
71-77 Passenger Bus	\$270.00	\$135.00	XXXXXX
65 Passenger Bus	\$270.00	\$135.00	XXXXXX
17 Routes	\$270.00	\$135.00	\$789,480

2. **Rates for Excess Mileage and Time – Regular “To and From” Routes (Item 1 above):**

\$ 16.875 per one-quarter (1/4) hour for time in excess of the route times, four (4) “live” hours per day or two (2) “live” hours per ½ day, whichever is greater, computed on an individual route basis.

3. **Midday Kindergarten Transportation Services.** The cost for all midday kindergarten route services, using one of the following unit costs billed in one-quarter (1/4) hour increments after the first hour.

Bus and Van Size	Cost Per Hour	Cost per Day	Cost per Year
Class C or D Bus	\$40.00	\$80.00	XXXXXX
Class A or B Bus	\$40.00	\$80.00	XXXXXX
Van or Type III	\$36.00	\$72.00	XXXXXX

4. **Special Education and Special Needs, Midday, Vocational and Other Transportation Services and Shuttles.** The cost for all special education and special needs routes, including home-to-school and midday transportation services, midday regular shuttle bus and van services, vocational education shuttles, ALC routes, and late activity services, excluding midday kindergarten routes, using one of the following unit costs billed in one-quarter (1/4) hour increments after the first hour.

Bus and Van Size	Lift?		Cost Per Hour	Cost per Year
Class C or D Bus	Yes	No	\$48.00	XXXXXX
Class A or B Bus	Yes	No	\$48.00	XXXXXX
Van or Type III	Yes	No	\$43.20	XXXXXX
Bus Assistant/Aide			\$20.00	\$34,400
Lift			XXXX	XXXXXX
8 buses and Type IIIs				\$433,027
3.5 SPED AM/PM Routes			\$48.00	
3 SPED AM/PM Routes-Type III			\$43.20	
1 SPED midday Routes			\$48.00	
2 WECEP midday routes			\$48.00	
1 ALC route			\$48.00	
Total				\$467,427

270 / 4 hrs
+ 6750 / 6 -
off that

126
118

5. **Early Intervention Services (EIS) Transportation Services.** The cost for all EIS bus and Type III van services, other than charters, using one of the following unit costs billed in one-quarter (1/4) hour increments after the first hour and approximately 135 days of school operation for this service.

Independent School District 152, Moorhead, Minnesota
GENERAL SPECIFICATION FOR STUDENT TRANSPORTATION SERVICES

Bus and Van Size	Cost Per Hour	Cost per Year
Class C or D Bus	\$48.00	XXXXXX
Class A or B Bus	\$48.00	XXXXXX
Van or Type III	\$43.20	XXXXXX
Bus Assistant/Aide	\$20.00	\$16,200
6 buses and Type IIIs		<u>\$298,080</u>
6 EIS AM/PM Routes	\$48.00	
5 EIS midday Routes	\$48.00	
Total		\$314,280

6. **Summer School Transportation Services.** The cost for all summer school regular or SPED bus and Type III van services, other than charters, using one of the following unit costs billed in one-quarter (1/4) hour increments after the first hour.

Bus and Van Size	Cost Per Hour
Class C or D Bus	\$45.00
Class A or B Bus	\$45.00
Van or Type III	\$40.50

Total Services – Items 1 - 6 Above Average cost* per mile = \$6.26 Annual = \$1,571,187

“On-Demand” Services

7. **Charters: Extra-curricular and Athletic Trips; Activity and Field Trips.** Trip charge for extra-curricular and athletic trips and school activity and field trips, along with time waiting at the trip destination. Costs for each service shall include all fuel costs, applicable fuel taxes, labor costs, maintenance and repair costs.

	Cost Per Hour	Cost Per Mile	Cost Per 1/4 Hour Waiting	Cost Per Trip	Minimum per Trip
Trips within the school district boundaries					
i. Class C/D Bus	\$45.00	\$ 0.00	\$11.25	\$90.00	XXXX
ii. Class A/B Mini bus	\$45.00	\$ 0.00	\$ 11.25	\$90.00	XXXX
iii. Type III van	\$40.50	\$ 0.00	\$ 10.125	\$81.00	XXXX
Trips outside the school district boundaries.					
i. Class C/D Bus	\$45.00	\$ 0.00	\$11.25	XXXX	\$90.00
ii. Class A/B Mini bus	\$45.00	\$ 0.00	\$ 11.25	XXXX	\$90.00
iii. Type III van	\$40.50	\$ 0.00	\$ 10.125	XXXX	\$81.00
iv. Coach bus				quote	
Trailer	XXXX	XXXX	XXXX	\$40.00	

- a. Trip charge outside the school district boundaries.
 Labor cost for overnight trips \$ _____ per hour ; \$ _____ per day max.
 Overnight driver expenses \$ _____ per 24 hour day.
- b. Non-peak Rate Discount: non-peak (8:30 am - 2:15pm & after 4:30pm) trip charge discount from regular rates in this item: _____ %

8. **Other Transportation Services.** The cost for all “on-demand” services added and not otherwise identified in this Exhibit

Independent School District 152, Moorhead, Minnesota
GENERAL SPECIFICATION FOR STUDENT TRANSPORTATION SERVICES

Bus and Van Size	Lift?		Cost per Mile*	Cost per Hour
Bus or van			\$ 6.26	

Aug Cost + 11-12 \$600 / year

***Year-end Reconciliation**

The District and the Contractor agree that the last billing for services each year will reconcile the total cost and total miles driven on a cost per mile basis that complies with the applicable state law, using the average cost per mile for this year of the Agreement as shown above as "Total Services – Items 1 – 7 Above"

based on miles

Independent School District 152, Moorhead, Minnesota
GENERAL SPECIFICATION FOR STUDENT TRANSPORTATION SERVICES

APPENDIX A-2: COST QUOTES FOR STUDENT TRANSPORTATION SERVICES

The COST QUOTES for each year of the term shall be submitted based on a maximum of 172 days of school operation and 168 days for kindergarten students.

SCHOOL YEAR 2013-14 [Year Ending July 31, 2014]

The Service Provider will complete the services in this schedule for a
percentage increase over the preceding year 0* % increase over 2012-13

* 0% + a percentage increase tied to a like unrestricted, real increase in Basic Formula Aid for 2013-14 not to exceed one (1) percent

APPENDIX A-3: COST QUOTES FOR STUDENT TRANSPORTATION SERVICES

The COST QUOTES for each year of the term shall be submitted based on a maximum of 172 days of school operation and 168 days for kindergarten students.

The District, in its sole discretion, will reserve the option, consistent with applicable statutes, to extend the contract for a third or fourth year. The District is interested in receiving pricing information about the services for these optional years.

SCHOOL YEAR 2014-15 [Year Ending July 31, 2015]

The Service Provider will complete the services in this schedule for a
percentage increase over the preceding year 2% % increase over 2013-14

SCHOOL YEAR 2015-16 [Year Ending July 31, 2016]

The Service Provider will complete the services in this schedule for a
percentage increase over the preceding year 0%* % increase over 2014-15

* 0% + an additional percentage increase tied to a like unrestricted, real increase in Basic Formula Aid for 2013-14 not to exceed one (1) percent

j. Notices 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 Postal Service, postage prepaid, registered or certified mail.

Notices to District shall be addressed to:

Wayne Kazmierczak
Assistant Superintendent
Moorhead Public Schools, ISD 152
2410 14th Street South
Moorhead, Minnesota 56560

Notices to Contractor shall be addressed to:

Mark Richards
President
Richards Transportation Service
2139 100th Avenue North
Moorhead, Minnesota 56560270

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.

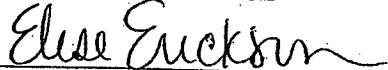
k. Entire Agreement

This Agreement sets forth the entire agreement between District and Contractor concerning the subject matter hereof. There are no 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 29th day of May 2012.

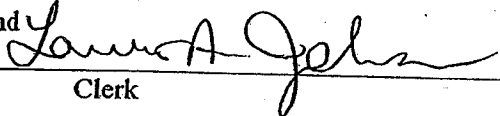
Moorhead Public Schools

By:



Chair

and



Clerk

Richards Transportation Service

By:


Mark Richards, President

Jay Richards, Secretary-Treasurer

Memorandum of Understanding
Special Education and Special Needs, Midday, Vocational and Other Transportation Services and
Shuttles

This Memorandum of Understanding is entered into between Independent School District #152 and Richards Transportation Service effective with the 2012-2013 through the 2015-2016 school years.

It is the intention of both parties to agree the cost for all special education and special needs routes, including home-to-school and midday transportation services, midday regular shuttle bus and van services, vocational education shuttles, ALC routes, and late activity services, excluding midday kindergarten routes using the following rate of \$67.50 unit cost billed in one-quarter ($\frac{1}{4}$) hour increments after the first hour.

Beginning the 2014-2015 school year, the service provider will complete the services in this schedule for a percentage increase over the preceding year of 2% increase over the 2013-2014 school year and a 0% increase over the 2-14-2015 school year.

Approved By: _____

School District

4/30/14

Date

Jay Richards, President

4/30/14

Date

In the Fall of 2017 the Moorhead Area School District will be opening new K-4, and 5-8 school buildings and reconfiguring programs and locations; which, will necessitate the redesign of all school bus routes serving the Moorhead Area School District. The Moorhead School district is proposing that we extend the current school bus route specification and contract for one additional school term, 2016-17.

The Moorhead School District will redesign routes and renegotiate the contract specifications with the current school transportation providers, Richards Transportation, Red River Acquisitions, and Schuck Bus Service, beginning in January 2017. The route specifications and contract will be for the school years 2017-18, 2018-19 with an option to extend the specifications and contract for 2019-20, 2020-21. Provided that those contract negotiations are successful a contract for 2 years, with an option for an additional 2 year extension will be granted to those same contractors.

This document will serve as a Memorandum of Understanding to extend the school transportation contract and clarify contractual questions for the school year 2016-17.

- Increase Contracted Route rate by 2%. This includes all daily to from routes and all special needs routes
- Fuel Escalator Clause -
 - Using a base rate of \$3.25 the school district will share any increases in fuel cost with the contractor by paying 50% of the difference between the base rate and the invoiced rate. The contractor will be responsible for submitting the request for payment along with documentation of fuel purchased. Verifying that the fuel is used for school bus transportation only. The contractor is responsible to select the grade of fuel used to prevent any fuel related issues during cold weather.
- Define in-town as opposed to out-of-town trips for charging purposes
 - In-town rates will apply to all trips taken within the defined Metropolitan Planning Area for the Fargo Moorhead Metropolitan Council of Governments. This area is defined as Fargo, Moorhead, West Fargo, Dilworth and Horace in the Metropolitan Profile released by the Metropolitan Council of Governments in 2015.
- Establish contractor rates for trips.
 - \$50.00 per trip
 - Minimum 2 Hours per trip

Signatures:

Richards Transportation

Moorhead Public Schools

Red River Acquisitions

Moorhead School Board Representative

Schuck Bus Service

