

SCHOOL BUS CONTRACT

Between

**Indiana Area School District
and
STA of Pennsylvania, Inc.**

This page purposely left blank.

AGREEMENT

This agreement, entered into this 11 day of March, 2019 by and between the INDIANA AREA SCHOOL DISTRICT, of Indiana County, Pennsylvania, hereinafter referred to as the DISTRICT,

A
N
D

STA OF PENNSYLVANIA, INC., domestic Pennsylvania Business Corporation, with its registered office and principal place of business in Pennsylvania, and which has a mailing address of 1370 Washington Pike, Suite 505, Bridgeville, Pennsylvania, 15017, hereinafter referred to as the CONTRACTOR.

WITNESSETH:

Whereas the DISTRICT and the CONTRACTOR have reached an agreement regarding the terms and provisions of a contract whereby the CONTRACTOR will provide transportation services to the DISTRICT; and

Whereas the parties hereto desire to reduce their agreement regarding this contract to writing;

Now therefore intending that they and their respective successors and assigns be and are hereby legally bound, and in further consideration of the terms and conditions of this Agreement, the parties agree as follows:

1. CONTRACTOR'S RESPONSIBILITY – GENERALLY

For the purpose of this contract and interpretation thereof, it is agreed that the transportation of school children is an unusual and specialized function. 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 a primary obligation of the CONTRACTOR to operate its affairs so that the DISTRICT will be assured of this 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 and of the highest moral character. The DISTRICT places upon the CONTRACTOR, and the CONTRACTOR agrees to accept, the full responsibility of assuring such qualities in personnel.

2. TERM OF AGREEMENT

For the five (5) school years commencing July 1, 2019 and terminating June 30, 2024, for the consideration hereinafter mentioned, the CONTRACTOR agrees to provide transportation for school pupils who shall be designated by the DISTRICT, to and from such points, along and over such routes, and at times and upon the terms and conditions herein specified in this Agreement, and in accordance with the schedules reported periodically as required by the Pennsylvania Department of Education on form PDE-1043 entitled Notification of Intent to Provide Pupil Transportation services, of that department or such equivalent form as that department may require from time to time.

3. CONSIDERATION

The rates for the 2019-2024 school years are as stated below. Increase for years 2 and 3 are set at 3%. For years 4 and 5 the School District agrees to pay a CPI increase as established by the Bureau of Labor Statistics of the U.S. Department of Labor as reported by the Pennsylvania Department of Education and utilized in the Transportation Cost Index. The increase paid to the Contractor as established by the CPI in years 4 and 5 will be no less than two percent (2%) and no more than a three percent (3%) over the previous year's rates.

| | Year 1 (2019-2020) | Year 2 (2020-2021) | Year 3 (2021-2022) | Year 4 (2022-2023) | Year 5 (2023-2024) |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| <u>Cost Per 65-78 passenger bus</u> | <u>\$253.75</u> | <u>\$261.36</u> | <u>\$269.20</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |
| <u>Cost per 36-64 passenger bus</u> | <u>\$253.75</u> | <u>\$261.36</u> | <u>\$269.20</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |
| <u>Cost per 11-35 passenger Mini-Bus</u> | <u>\$233.75</u> | <u>\$240.76</u> | <u>\$247.99</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |
| <u>Cost per 7-10 passenger van</u> | <u>\$185.00</u> | <u>\$190.55</u> | <u>\$196.27</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |
| <u>Cost per Wheelchair Accessible Van</u> | <u>\$253.75</u> | <u>\$261.36</u> | <u>\$269.20</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |
| <u>Other (List Shuttles)</u> | <u>\$48.75</u> | <u>\$50.21</u> | <u>\$51.72</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |
| <u>Field Trip Hourly Rate</u> | <u>\$15.00/Hr.</u> | <u>\$15.45/Hr.</u> | <u>\$15.91/Hr.</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |
| <u>Mileage Rate</u> | <u>\$2.00/Mile</u> | <u>\$2.06/Mile</u> | <u>\$2.12/Mile</u> | <u>C.P.I.</u> | <u>C.P.I.</u> |

4. MANNER OF PAYMENT

The DISTRICT shall pay the CONTRACTOR a daily rate each day they transport pupils, said rate to be determined by the total number of vehicles used at the attached pricing schedule.

The CONTRACTOR will be paid by the 15th of each following month for services rendered the previous month; example, September services paid for no later than the 15th of October. Payments shall be based on a “per day” billing basis and include all days as stated on the school calendar. Each “day” will include a total of the morning and afternoon trips.

5. INSURANCE

During the term of the Agreement, the CONTRACTOR will maintain automobile, general, and umbrella liability covering all operations, locations, vehicles and employees used in the performance of the Agreement. The DISTRICT shall be named as an additional insured under these policies. The required limits of insurance are as follows:

| | |
|---|--------------|
| Primary Automobile Liability | \$2,000,000 |
| General Liability | \$5,000,000 |
| Umbrella Liability | \$10,000,000 |
| Workers' Compensation at Statutory Limits | |
| Sexual Misconduct & Molestation | \$1,000,000 |

The insurance company must be licensed to do business in the Commonwealth of Pennsylvania. A certificate of insurance in favor of the DISTRICT must be provided. It must clearly show the Indiana Area School District named as an additional insured, and it must further provide that the policy shall not be canceled, non-renewed, or materially changed so as to affect the insurance described until thirty (30) days notice of such action has been delivered to the DISTRICT.

PERFORMANCE BOND: At the sole request of the DISTRICT, the CONTRACTOR may be required to provide, annually, a Performance Bond in the amount of seventy-five percent (75%) of the current year contract price. (For the first year of the contract, the Performance Bond would guarantee 75% of the contract price as stated in the AGREEMENT for Year 1 – 2019-2020; for the second year, the Performance Bond would guarantee 75% of the contract price as stated in the AGREEMENT for Year 2 – 2020-2021, and so on.) If the CONTRACTOR is not required to provide a Performance Bond, the DISTRICT, will receive a credit of \$10,000 for that year.

The CONTRACTOR agrees to indemnify and hold the DISTRICT harmless against any and all claims, demands, damages, costs and expenses, including reasonable attorney's fees for the defense thereof, arising from the CONTRACTOR's failure to provide the transportation services pursuant to this Agreement or third party claims arising from any act or negligence of the CONTRACTOR, its agents, subcontractors, employees in providing said services. However, the indemnity provided for in this paragraph and defense in the paragraph below shall have no application to those aspects of any claim, loss, damage, cause of action, suit, or liability where the injury, death, or damage is alleged to be a result of the direct negligence of DISTRICT or DISTRICT's employees or consultants.

In the event any action, suit or other legal proceeding is instituted against the DISTRICT that is or can be expected to result in any liability for indemnity, as stated above, being imposed upon the CONTRACTOR, the DISTRICT, within a reasonable time, shall give written notice thereof to the CONTRACTOR and include with such written notice copies of all pleadings with attachments received by the DISTRICT relating to such claim, demand, action, suit or proceeding. The DISTRICT agrees to cooperate in defense of any such proceeding, including providing the CONTRACTOR with all relevant documents in possession of the DISTRICT. In any such action, suit or other legal proceedings brought against the DISTRICT that are subject to indemnification pursuant to the terms herein, CONTRACTOR, upon notice from DISTRICT, agrees to defend any such action or proceeding and shall have full control over and of the defense, negotiation and settlement of such action, suit or proceeding.

6. ROUTE SCHEDULES AND BUS ROSTERS

Prior to the commencement of school each year, stops and schedules shall be determined by the DISTRICT and may be modified at the sole discretion of the DISTRICT, regardless of whether this reduces the number of vehicles required, or the consideration paid by the DISTRICT to the CONTRACTOR. The CONTRACTOR shall not deviate from the designated routes except by

written consent of the DISTRICT or in the case of an emergency, which shall be reported promptly to the DISTRICT.

An operating time schedule shall be prepared by the DISTRICT for each school year. This schedule shall designate the time and the place of all vehicle stops, both morning and evening, and shall be posted in the vehicle and at the appropriate school. Vehicles shall not arrive at the designated stop more than ten (10) minutes prior to the scheduled time unless adjusted due to weather or traffic conditions. Vehicles shall depart the stop once pupils that are present are abroad. The time schedule may be modified by the DISTRICT as the occasion demands but only after due notice has been given to the parents and the CONTRACTOR.

7. DISCIPLINE

The CONTRACTOR agrees to require drivers to abide by the “Standards of School Bus Drivers and/or Contractors” as outlined in Policy #810 of the Indiana Area School District Board Policy Manual and/or any other DISTRICT rules and regulations relative to pupil transportation.

8. CONTRACTOR’S SPECIFIC RESPONSIBILITIES

- a. The CONTRACTOR agrees to comply with and observe all provisions of the Pennsylvania Vehicle Code and other applicable laws.
- b. Every school bus driver shall meet all the regulations of the Bureau of Traffic Safety, of the Pennsylvania Department of Traffic Safety of the Pennsylvania Department of Transportation in regard to application, age, fitness, competence, conduct, licensing, physical examination, and continuing eligibility, and every operator shall pass periodically administered physical examinations required by either the Public Utility Commission, the Interstate Commerce Commission, or the Department of Transportation. In addition, at the discretion of the DISTRICT, bus drivers may be required to submit to a medical examination by a physician designated by the DISTRICT. Cost of this examination to be borne by the DISTRICT.
- c. Pupils shall be taken on and discharged from the buses only at the designated stops. No pupils shall be permitted to get on or off the bus while it is in motion. No school bus operator shall start his/her bus, or signal the driver of any vehicle who has stopped in compliance with the Pennsylvania Motor Vehicle Code to proceed until after each child, who may have alighted there from, shall have reached a place of safety.
- d. No person other than a school pupil shall be transported in a vehicle, except that a teacher or other school official may ride when designated by the DISTRICT. Nothing except passengers and their belongings shall be transported in the vehicle while it is engaged in transporting pupils to or from school.
- e. Each vehicle shall come to a complete stop immediately before traversing railway or trolley grade crossings, and shall make a complete stop at all highway intersections protected by a “stop” sign.

- f. A school bus, including Type A Vehicle, shall not be loaded beyond the seating capacity as set forth in the minimum standards and as indicated on the “Approved School Bus Sticker”. All other public vehicles, when transporting school children under contract, shall provide adequate seating for each student with no standees permitted.
- g. The speed of a vehicle shall at all times be consistent with the safety of the passengers, and shall at no time exceed the speed limit as set forth in the minimum standards of the Bureau of Traffic Safety, Pennsylvania Department of Transportation, as promulgated from the Vehicle Code.
- h. The school buses shall be equipped with Child Check Systems, requiring the driver to conduct a post trip inspection of the bus after each run. In the event a sleeping child is discovered, the school bus driver shall immediately contact their supervisor, who will at once notify the DISTRICT’S Transportation Director for directive as to where the child should be taken.
- i. The CONTRACTOR must:
 - (1) Demonstrate sensitivity to and willingness to comply with the CONTRACTOR’S Responsibility Generally as more fully set forth in paragraph #1 above;
 - (2) Maintain a permanent place of business, including the terminal, inside the boundaries of the school district, as specified below;
 - (3) Have a dispatcher and a mechanic on duty, in the terminal while the buses are running the regular scheduled routes;
 - (4) Have adequate plant and equipment to do the work required promptly and expeditiously.

9. REQUIRED FACILITIES

The CONTRACTOR will operate out of the DISTRICT’S East Pike Transportation Building for storing, parking, and performance of light maintenance for all vehicles servicing the DISTRICT. For the term of this AGREEMENT, the facility will be provided to the CONTRACTOR at no annual cost.

- a. All vehicles used under this contract shall be stored in a secure lot or lots within the school district.
- b. Ordinary cleaning and maintenance shall be performed at a maintenance garage operated by the CONTRACTOR within the school district. Repairs may be performed at a maintenance facility outside of the school district so long as the CONTRACTOR maintains the required number of properly certified buses in fully operable condition within the school district at all times.
- c. The CONTRACTOR shall be responsible for fuel in those vehicles not servicing the Indiana Area School District.

- d. All facilities must be adequate for the purposes intended and must comply with all applicable local codes and ordinances.
- e. The DISTRICT reserves the right to inspect all contract-related facilities during normal business hours.

10. ENVIRONMENTAL AND HAZARDOUS WASTE

The CONTRACTOR hereby holds the DISTRICT harmless from any liability which may be caused by environmental waste or spills as a result of its activities on school district property or otherwise.

11. EQUIPMENT REQUIREMENTS

a. Buses:

School buses and all other vehicles used in the performance of the contract shall at all times meet all applicable federal, state, or local laws, regulations, or ordinances. Furthermore, all vehicles used for school purposes shall pass annual state required inspection, as well as pass any other required inspections.

Every vehicle shall be completely examined by the CONTRACTOR once every three (3) months during the term of this contract as to, among other things, front end, brakes, tires, and motor. A report of such inspection shall be filed in the office of the CONTRACTOR.

The CONTRACTOR shall be responsible for the payment of all operating expenses of each vehicle, including the cost of maintenance to keep each vehicle in good working condition, properly serviced and greased, and shall make all necessary repairs and replacements. The CONTRACTOR shall pay for all oil, anti-freeze, vehicle washing, garage expenses, highway road service, towing charges, and tolls required or incurred in connection with the operation of the vehicles. At its own expense, the CONTRACTOR shall maintain each vehicle in good working order and condition, properly serviced and greased, and shall make all necessary repairs and replacement.

All vehicles used in connection with this contract shall be washed at least once per week. Vehicles at all times shall be maintained in a clean condition. Exterior cleaning will be excused when the temperature is at or below freezing. The CONTRACTOR shall require drivers to perform daily pre-trip inspections and promptly correct any deficiencies discovered on any vehicles or equipment to be utilized under the contract.

The DISTRICT retains the right to inspect the school buses and all other vehicles at all reasonable times by all reasonable means to insure safety compliance.

The CONTRACTOR shall certify a list of all vehicles to be used in this contract prior to the commencement of school each year, and furnish the following information:

- (1) Vehicle Identification Code
- (2) Name of Manufacturer
- (3) Date of Manufacture (not model year)
- (4) Serial Number (VIN)

- (5) Pupil Capacity
- (6) Odometer Reading

Inclusion of a vehicle on the Certified List shall be a certification that the vehicle meets all applicable specification requirements, including certification that all required maintenance and inspections are complete and that the vehicle is in safe operating condition.

The Certified List shall further indicate whether the vehicles are designated as Regular, Spare or Substitute vehicles. Vehicles designated as Regular or Standby vehicles must be dedicated to the exclusive use of the DISTRICT while so designated.

No vehicle shall be used for contract work unless it is pre-certified for compliance with the equipment specifications. Use of an uncertified vehicle shall forfeit compensation for any services rendered by such a vehicle on a per diem basis and shall constitute sufficient grounds for termination of the contract for pupil transportation.

From time to time throughout the school year, the CONTRACTOR may add or subtract vehicles from the Certified List or change designations, provided all other requirements are met by written change submitted to the DISTRICT; however, no change shall be deemed approved until written approval of the change is provided to the CONTRACTOR by the DISTRICT.

For the 2019-2020, 2020-2021, 2021-2022 school years, all school buses assigned to regular daily routes by the CONTRACTOR pursuant to the contract shall be no older than ten (10) years with the average fleet age not to exceed five (5) years at any time. For the 2022-2023, 2023-2024 school years, all school buses assigned to regular daily routes by the CONTRACTOR pursuant to the contract shall be no older than ten (10) years with the average fleet age not to exceed six (6) years at any time. All vans to be utilized by the CONTRACTOR for the performance of the contract shall be no older than ten (10) years from the date of manufacture. Use of spare buses will be kept to a minimum and the IASD will be notified in writing when this occurs. The CONTRACTOR agrees that a minimum of twenty (20) of the vehicles assigned to daily Home-to-School routes, shall be propane powered. Any deviation from said number of propane powered vehicles must be approved by the DISTRICT.

The age of the vehicle for this purpose shall be determined by subtracting the model year from the year of the second half of the school year (*i.e., a 2011 model vehicle would be deemed to be eleven (11) years old in the 2021-2022 school year*).

The CONTRACTOR shall maintain a supply of designated Spare vehicles dedicated exclusively to DISTRICT uses, to be used as Standby and/or Replacement vehicles. Standby vehicles are those used for activity trips, field trips, and unscheduled runs. Replacement vehicles are those used to replace Regular vehicles, which break down. The supply of Spare vehicles for Type C/D school buses shall be five (5). The supply of Spare vehicles for all other type vehicles shall be equal to 10% of the required number of Regular vehicles of that type rounded to the nearest whole number (*i.e., if there are five (5) vans required for regular runs, one (1) van is required as a Spare*). *In no event, however, shall the number be less than one (1).*

Spare vehicles must be twelve (12) years old or less, unless approved by the DISTRICT.

Spare vehicles must meet the age and equipment requirements of the Regular or Spare vehicle for which it is to be substituted. A Substitute vehicle will be required if the original is not returned to service within thirty (30) days of the initial use of a Spare vehicle as a Replacement for a Regular vehicle, unless approved by the DISTRICT.

Eligible Substitutes need not be dedicated to DISTRICT uses nor need they be stored within the DISTRICT. The purpose of certifying a list of Substitutes is to provide for pre-approval of potential Substitutes, to facilitate orderly redesignation if and when necessary.

All designated vehicles shall be marked "Indiana Area School District" on both sides. All vehicles shall be equipped and identified in accordance with requirements outlined in Title 67, Transportation of the Pennsylvania Code used in conjunction with the Vehicle Code, Title 75 of the Pennsylvania Consolidated Statutes.

b. Two-Way Radios:

The CONTRACTOR will utilize and maintain its own two-way radio apparatus on all of its buses and other vehicles in service. All buses purchased during the term of this contract must be equipped with said radios. The radio system will remain the property of the CONTRACTOR and any licensing renewal fees will be paid by the CONTRACTOR. Use of the radio system must be in compliance with FCC regulations and is strictly intended for the requirements of this contract. The CONTRACTOR will assume the ongoing maintenance of the radio system and purchase of additional radios as it deems necessary. The CONTRACTOR will, at his expense, install and maintain base-station radio(s) to provide for direct communications between the buses and the CONTRACTOR. One base-station radio will be provided to the IASD to be used as a means of traffic monitoring

c. Camera Surveillance:

CONTRACTOR will provide and install premium digital video monitoring equipment that is capable of receiving and recording audio and video from a video capturing device on each school vehicle under contract to the IASD. The recording devices should be inspected on a monthly basis with reports provided to the IASD. All vehicles must have proper signage indicating audio and video equipment is in use. All buses 36 passenger and larger shall be equipped with four (4) devices, including forward facing, front passenger, rear passenger and door. Vans and buses 35 passenger and fewer shall have a minimum of three (3) devices, including forward facing, front passenger, and door.

d. Auxiliary Heaters:

Auxiliary heaters will be installed in all new diesel school buses acquired each contract year with a capacity of 48 passenger or greater. Upon request of the DISTRICT, auxiliary heaters will also be installed in all alternate fuel school buses.

e. Tire Chains:

All regular route buses will be equipped with drop down tire chains.

f. GPS Systems

All vehicles shall be equipped with GPS systems that are compatible with the DISTRICT'S Transportation Routing Software. The DISTRICT currently utilizes Transfinder Routing Software. The DISTRICT'S transportation office will be supplied the software to track each vehicle.

g. Speaker/Intercom Systems

All buses will be equipped with intercom systems for the driver to communicate with children.

h. Strobe Lights

All buses will be equipped with rooftop strobe lights manufacturer recommendations.

i. Air Brakes

All regular and spare buses 36 passenger and larger will be equipped with Air Brakes.

j. Service Vehicle

The CONTRACTOR shall provide a service vehicle equipped with a snow plow and spreader to assist buses during inclement weather.

12. TOBACCO PRODUCTS PROHIBITED

Each school bus must have a sign displayed in a conspicuous area located inside that smoking or other use of tobacco products on school buses is prohibited.

13. FUEL COSTS

The CONTRACTOR is responsible for supplying the fuel (gas and/or diesel) necessary to provide the services outlined in proposal. In the event the cost of "tax free" gasoline and/or diesel fuel, exceeds two dollar fifty cents (\$2.50) per gallon for any year during the contract, the DISTRICT agrees to pay the cost in excess of two dollar fifty cents (\$2.50) per gallon.

The CONTRACTOR is responsible for supplying propane fuel necessary to provide services outlined in proposal. In the event the cost of "tax free" propane exceeds one dollar ten cents (\$1.10) per gallon for any year during the contract, the DISTRICT agrees to pay the cost in excess of one dollar ten cents (\$1.10). The DISTRICT and CONTRACTOR agree that any Federal Alternative Fuel Tax Credit will be split 50/50.

The DISTRICT prefers and the CONTRACTOR concurs to use buses that require propane fuel as opposed to diesel or gasoline whenever possible. The CONTRACTOR is also responsible for the storage of the diesel fuel in tanks that meet all Federal, State, and Local governmental laws, codes, and regulations. The CONTRACTOR also agrees to hold harmless the DISTRICT from any and all liabilities regarding the storage and use of said diesel fuel.

The DISTRICT is permitted to purchase fuel and propane for the CONTRACTOR “tax-free” whenever properly assured that the fuel is used for the exclusive use of vehicles dedicated to and in service to the DISTRICT. This practice could result in a substantial cost savings. During the terms of this agreement, CONTRACTOR agrees to maintain the 10,000 gallon above ground diesel fuel tank located on DISTRICT property and further agrees to lease the tank back to the school district for \$1.00/year.

The DISTRICT will consider other arrangements regarding fuel, particularly those dealing with incentives to conserve. Any agreement to alter or amend the above must be in writing, signed by both parties.

CONTRACTOR shall be responsible for complying with all State and Federal laws, ordinances and regulations relating to the use and/or maintenance of any storage and pumping facilities, including but not limited to the registration of any storage tanks with the Commonwealth of Pennsylvania and the payment of all fees associated therewith. CONTRACTOR, at its own cost and expense, shall keep the storage tanks and pumping facilities in good repair, condition and operating order by seeing that the storage tanks and pumping facilities are tested regularly and cleaned, repaired and restored as needed. CONTRACTOR shall also be responsible for protecting the storage tanks and pumping facilities and the environment against corrosion, spills from the pumping station of the CONTRACTOR’s vehicles, and leakage by employing whatever devices and measures that are prudent and/or that are required by law and by industry standards. On expiration or earlier termination of this Agreement, the DISTRICT shall remove all product, i.e. propane or other fuel, from the storage tanks at the DISTRICT's expense. CONTRACTOR hereby retains all risk of loss of and damage to the storage tanks and pumping facilities from any cause, except if arising from the sole negligence of DISTRICT or Acts of God. CONTRACTOR, at its own expense, shall maintain such casualty and liability insurance coverage on the Facility and on the storage tanks and pumping facilities themselves as further described hereinabove. CONTRACTOR shall at all times remain liable for any contamination caused by leakage or spilling of product from, or intended storage in, the storage tanks, except if arising from the sole negligence of the DISTRICT.

14. DRIVER REQUIREMENTS

The CONTRACTOR shall provide competent operators who shall be thoroughly reliable and of good moral character, and shall carry a currently valid certificate issued by the examining physician indicating the passing of the physical examination required by the Bureau of Traffic Safety of the Pennsylvania Department of Transportation and Pennsylvania State Police.

- a. The CONTRACTOR shall comply with all state-required regulations pertaining to drivers.
- b. The Contractor agrees to comply with all provisions of Act 34, Act 151, Act 114 (FBI), and Act 24 as the same have been or may be amended from time to time, regarding background checks of prospective and current employees. The Contractor further agrees to indemnify the District and any Administrator for any civil penalty

assessed on account of non-compliance with the Act with respect to the Contractor, its agents or employees.

c. A Certified List of all drivers and substitutes shall be provided by August 1st of each year and shall be updated in writing as may be necessary from time to time. All drivers and substitutes, prior to operating a vehicle under this contract, shall register his/her name, address, license number, and background check with the DISTRICT. Inclusion on the list shall be certification of compliance with all requirements. No uncertified driver may drive under any circumstances.

d. At the onset of this Agreement and prior to the start of any new or additional drivers, the CONTRACTOR shall furnish the DISTRICT with proper Certification for all drivers. Photocopies shall be provided for the following:

- a. CDL or Class C Drivers License
- b. CDL Endorsement Card, if applicable
- c. Bus or Van Driver Physical Examination Form
- d. DL-713 Certificate of Completion for a New Driver, if applicable
- e. DL-714 Training Report Form, if applicable
- f. DL-742 Medical Card, if applicable
- g. DL-503, Motor Vehicle Report
- h. ACT 34, Pennsylvania State Police Criminal Record Check
- i. ACT 151, Child Abuse Clearance
- j. ACT 114, FBI Fingerprint Report
- k. Act 24, PDE Form 6004, Arrest/Conviction Report & Certification Form
- l. Act 126, Mandatory Training for Child Abuse Recognition & Reporting

e. All drivers transporting school students must possess and have visible a DISTRICT approved identification badge.

f. School bus drivers will assign seats on all buses under contract within the first week of school. A copy of the seating assignment will be posted at the front of each bus and a copy will be furnished to the Transportation Supervisor.

g. The CONTRACTOR and the drivers are expected to meet annually prior to the opening of the school year to review DISTRICT procedures for the coming year with the Transportation Supervisor. These sessions shall be scheduled at a mutually convenient time.

h. Under no circumstances shall a driver stop to fuel a vehicle while in the process of transporting students, except as may be required for extended distances on field trips.

i. The use of DISTRICT assigned vehicles for services other than that of the DISTRICT shall be documented and reported to the DISTRICT monthly. Documentation shall include odometer readings at the beginning and end of the trip, and proper adjustment shall be made for fuel consumed on non-district trips if the DISTRICT purchases fuel for the use of the CONTRACTOR.

- j. Since the transportation to be performed hereunder is based on a time schedule, it is expected that the CONTRACTOR will comply with those schedules within reason. The CONTRACTOR shall provide enough substitute drivers to cover all absenteeism as well as for vehicle breakdown coverage.
- k. Any repetition of lateness or failure to adhere to the schedule shall constitute a breach of the contract. This provision shall have no application in the event of an emergency due to an Act of God, adverse weather conditions, and such other causes as in the discretion of the Superintendent of Schools shall excuse compliance therewith.
- l. Failure of a driver to observe any and all regulations shall be deemed sufficient reason for the removal of said driver from participation in the performance of this contract.
- m. Failure to operate vehicles in accordance with the agreement by the CONTRACTOR shall be deemed a material breach of the contract.
- n. Continuity of drivers and assignments is required. Failure to maintain reasonable continuity, monitored on a biannual basis, shall be sufficient grounds for termination. The DISTRICT reserves the right to determine what constitutes reasonable.
- o. If the CONTRACTOR fails to perform services because of the mechanical failure of equipment, the CONTRACTOR shall receive no compensation for the day or days involved and the DISTRICT shall have the right to secure other transportation as may be necessary and charge the cost of the same to the account of the CONTRACTOR.
- p. The CONTRACTOR will require all employed drivers to attend training sessions provided by the DISTRICT. Drivers assigned to transport disabled, special education, and early intervention program students shall be given special training concerning the techniques of handling such children. The DISTRICT will be responsible for the cost of providing the training and the CONTRACTOR will be responsible for any cost associated with compensating drivers. The DISTRICT and CONTRACTOR will work collectively on scheduling, topics and location of the training sessions.
- q. If a national Health Care program is activated requiring the Contractor to provide Health Care insurance for its drivers, the District will agree to meet with the Contractor to discuss the additional costs and work with the Contractor to subsidize the additional cost moving forward.

15. OTHER REQUIRED PERSONNEL

The CONTRACTOR must provide a full-time supervisor for all services provided under the contract who will be on the job each day. This supervisor must be readily available and have a telephone at his/her place of residence and at his/her place of work. The District Transportation Supervisor shall be considered the representative of the DISTRICT in coordinating the daily operation of the contract.

16. PENALTY – FAILURE TO COMPLY WITH DRIVER/VEHICLE REQUIREMENTS

If the CONTRACTOR fails to conform with any of the requirements for the provision of drivers or vehicles, the CONTRACTOR shall pay a penalty equal to the daily rate applicable to the route in question.

17. OTHER VIOLATIONS

Should the CONTRACTOR default in the performance of the contract, the DISTRICT may procure such vehicles or services from other sources in any manner provided by law. The DISTRICT shall have the absolute right to deduct from any monies due the CONTRACTOR, the difference between the contract price and the actual cost of the property or services to be replaced or substituted as determined in the contract specifications.

18. INCLEMENT WEATHER

The Superintendent, or his/her designee, shall have the sole responsibility of altering, delaying or canceling bus service during inclement weather. The CONTRACTOR agrees to abide by the decision of the Superintendent, or his/her designee, and operate on the assigned schedules and routes.

Transportation shall be provided during inclement weather and on those days when the DISTRICT starts late and/or dismisses students early from regularly scheduled classes.

19. SCHOOL CLOSING

The CONTRACTOR acknowledges that the Superintendent, or his/her designee, shall make the final decision as to whether or not public schools within the DISTRICT will be opened or closed. The CONTRACTOR will provide the Superintendent, or his/her designee, with necessary updates prior to departure of the first bus(es) on road conditions during those periods when inclement weather, etc. can cause hazardous travel for the bus fleet. Utilizing bus driver reports and direct observations, the CONTRACTOR or appointee will advise the Superintendent, or his/her designee, on those mornings when school delays and closings are possible. The CONTRACTOR will then keep the Superintendent, or his/her designee, advised during the day when the roads remain or become hazardous.

20. ACCIDENT REPORTING/SPOKESPERSON

In the event of an accident, the driver and/or the CONTRACTOR Spokesperson shall immediately inform the DISTRICT and follow up with a written report within 48 hours. The Superintendent, or his/her designee, will be the sole spokesperson with media regarding any accident.

21. STRIKE CONDITIONS

In the event of a strike or work stoppage by DISTRICT personnel, the DISTRICT expects the CONTRACTOR to perform normal duties while school is kept in session, unless operation and personnel are jeopardized. Otherwise, the DISTRICT may have the right to secure such other transportation as may be necessary and charge the cost thereof equaling the daily rate plus a penalty of fifteen (15%) percent of the daily rate to the account of the CONTRACTOR on the contract price for such interrupted service.

22. INDEPENDENT CONTRACTORS

It is understood and agreed to by both parties hereto that the CONTRACTOR, while engaged in carrying out and complying with any of the terms and conditions of this contract, is an INDEPENDENT CONTRACTOR and is not an officer, agent, or employee of the Indiana Area School District.

23. ASSIGNMENTS AND SUBCONTRACTORS

This contract shall not be transferred or assigned without written consent of the DISTRICT. Any vehicle which has been lawfully certified for current use in Pennsylvania and/or another properly certified driver may be substituted in emergencies upon consent of the DISTRICT or the designated representative, but only for the duration of the emergency.

24. RECORDKEEPING AND REPAIRS

The CONTRACTOR agrees to keep and file in a timely manner any records or reports as may be required by the DISTRICT including but not limited to, a passenger count, mileage, vehicle identification, dispatching information, maintenance, fuel records, complaint logs and disciplinary reports. The CONTRACTOR shall keep a record of check-in and check-out times of all drivers in order to determine whether or not all vehicles have been dispatched, a copy of which is to be presented to the DISTRICT each month along with the invoice for services.

25. DISCRIMINATION

Pursuant to the provisions of Act 222 (dated October 27, 1955), as amended by Act 19 (dated February 28, 1961), and in accordance with the provisions of the Governor's Code of Fair Practice (effective June 8, 1963), and the Regulations of the Pennsylvania Human Relations Commission, as approved by the Attorney General (July 7, 1965), as well as the DISTRICT'S own non-discrimination policy, the contract documents will contain the following items:

Non-Discrimination Provisions

The CONTRACTOR agrees to comply with the provisions of Pennsylvania's Human Relations Act and all other Federal, State, or Local anti-discrimination laws, ordinances, and regulations in providing equal employment opportunities in connection with all work performed, pursuant to the contract. The CONTRACTOR therefore agrees to the following statements:

- a. The CONTRACTOR will not discriminate nor permit discrimination by agents, servants, employees, or applicants for employment with regard to hiring, tenure of employment, promotion, terms, conditions, or privileges of employment at job sites covered by this contract because of race, color, gender, religion, age, handicap, or national origin, and will take such affirmative action as is hereinafter set forth to prevent.

b. The CONTRACTOR will, in all publications or advertisements for employees to work covered by this contract placed by or on behalf of the CONTRACTOR, state that all qualified applicants will receive consideration for employment without regard to race, color, gender, religion, age, handicap, or national origin.

Failure to comply with the foregoing instructions may result in the cancellation of the contract.

26. VANDALISM

The CONTRACTOR is solely responsible for costs incident to vandalism. The DISTRICT will cooperate in the investigation and appropriate disciplinary actions.

27. RIGHTS AND COMPLIANCE

The rights and remedies of the DISTRICT provided above shall not be exclusive and are in addition to any other rights and remedies provided under law or contract. Any inability to comply with the conditions and specifications as outlined must be clearly stated in a proposal.

28. BOARD DISCRETION

The Indiana Area School District Board of School Directors, in its sole and absolute discretion, has the sole and absolute power to interpret and/or adjust all matters arising out of the contract not specifically provided for therein. This interpretation and/or adjustment shall be final, conclusive, and binding on the parties hereto.

29. AVAILABLE INFORMATION

The CONTRACTOR will be supplied with and should take into account the availability of DISTRICT records regarding any contracted routes, including existing routing information and mileage.

The DISTRICT owns the computerized "Transfinder" software package for school transportation management and will provide information to the CONTRACTOR, as is, at no cost to the CONTRACTOR.

30. ACTIVITY, FIELD TRIP AND OTHER UNSCHEDULED RUNS

On occasions, the DISTRICT requires the use of coach buses for activity, field trips and other unscheduled runs. It is the intent of the DISTRICT to use the CONTRACTOR'S equipment for such purposes. In the event sufficient equipment is not available or for other reasons, the DISTRICT reserves the right at its sole discretion to contract with another company.

31. UNSCHEDULED TRIPS

Vehicles and drivers shall be provided for unscheduled trips on a 48-hour notice.

32. ASSIGNMENT

The CONTRACTOR shall not assign any of its rights or benefits and it shall not delegate any of its duties or obligations, nor shall it transfer or otherwise contract away this Agreement or

any parts of it, or cause this Agreement or any parts of it to be liened or encumbered, without advance, written consent of the DISTRICT.

33. MATERIAL BREACH

All the terms and conditions of this Agreement shall be deemed to be substantial and important covenants and any violation of any of them shall be deemed to be material and may, at the option of the DISTRICT, operate as a cause for termination of this Agreement.

34. DISTRICT REMEDIES

In addition to any remedies provided for in this Agreement, the DISTRICT shall have all other remedies available to it by law and in equity; and no failure or choice of the DISTRICT to disregard any particular breach of this Agreement by the CONTRACTOR shall be regarded as any sort of waiver of the DISTRICT'S right to enforce this Agreement in the event of any other breach by the CONTRACTOR of the same, or any different kind occurring before or after that particular breach.

35. DISTRICT LEGAL STATUS

Regardless of anything else in this Agreement, which may be construed to the contrary, the parties acknowledge and agree that the DISTRICT is a political subdivision of the Commonwealth of Pennsylvania, and that the DISTRICT relies heavily on funding subsidies from the Commonwealth to help finance its payment of the consideration to the CONTRACTOR under this Agreement. The parties, therefore, agree that this Agreement shall be conditioned on it being in compliance with the laws and regulations of the Commonwealth of Pennsylvania, and especially the Public School Code of 1949, as amended, and the Regulations of the Pennsylvania Board of Education, and those laws and regulations governing disbursement of transportation funding subsidies to provide maximum reimbursement of transportation costs to the DISTRICT.

The CONTRACTOR, at the onset and throughout the life of this Agreement, shall fully cooperate with the DISTRICT in doing everything, including executing all forms supplement to this Agreement and other documentation that may be required to comply with said laws and regulations, to enable the DISTRICT to receive said subsidies. The effectiveness and enforceability of this Agreement shall be subject to all approvals or consents of the Pennsylvania Department of Education and other agencies of the Commonwealth of Pennsylvania that may be required by said laws or regulations in order to ensure compliance with said laws and regulations, and so as not to jeopardize maximizing said subsidies to the DISTRICT.

36. GOVERNING LAW

This Agreement is executed in Indiana, Indiana County, Pennsylvania and shall be governed and enforceable under Pennsylvania Law. It shall be executed in duplicate purports, each of which shall be treated as one and the same and an original. It constitutes the entire understanding and agreement of the parties, which shall not be modified except by further, written agreement of the parties, executed with the same formality as the within instrument.

In witness whereof the parties hereto, by their duly authorized officers, as attested by the hands and seals of their official and corporate secretaries, have hereunto subscribed their hands and seals, intending as aforesaid that they and their successors and assigns be legally bound hereby, all as of the day and year first above written.

INDIANA AREA SCHOOL DISTRICT

By:

School Board Secretary
(w/ District Seal)

STA OF PENNSYLVANIA, INC.

Witness:

By:

Paul J. Fichner, Vice President