

TRANSPORTATION AGREEMENT

THIS AGREEMENT, made and entered into this 8th day of March 2010, by and between BOARD OF EDUCATION OF SESSER-VALIER COMMUNITY UNIT SCHOOL DISTRICT No.196, (hereinafter referred to as "School") of Sesser, Illinois, and BECK BUS TRANSPORTATION CORPORATION of Mt. Vernon, Illinois, (hereinafter referred to as "Beck Bus"), witnesseth:

WHEREAS, School provides free bus transportation to School students and Beck Bus desires to enter into a contract with the School to provide a portion of such services:

NOW, THEREFORE, for a good and valuable consideration each to the other in hand paid and for the further consideration of the promises herein contained to be kept and performed by the respective parties, it is hereby agreed as follows:

1. Beck Bus agrees to provide at least eight (8) buses of not less than seventy-two (72) seating capacity for the purpose of transporting students on regular routes to and from school and for such other or specialized transportation as the School may from time to time direct. Over the entire term of this contract, any extensions included, it is hereby agreed that the bus fleet provided shall not exceed an overall fleet average of three (3) years old, and that no dispatched bus shall be more than five (5) years old without the consent of the Superintendent.

2. Beck Bus agrees to provide and maintain in reserve no less than two (2) additional buses for supplemental and extra-curricular trips and reserve use daily runs, and, in addition, Beck Bus agrees to provide and maintain sufficient listing of properly qualified substitute drivers. The reserve buses shall meet the same minimum specifications as the regular route buses. Any additional requested extra or supplemental buses shall be provided at school location within a reasonable time frame. Beck Bus agrees to meet all such requests from the School for additional requested transportation.

3. All buses provided shall be radio-equipped and Beck Bus shall provide remote stations to be located at the School in such a location as may be directed by the Superintendent and for the use of the appropriate school officials.

4. Beck Bus agrees to keep all equipment used in the transportation of students in strict accordance with the State of Illinois Minimum Standards for School Buses, as promulgated by the Illinois State Board of Education and Department of Transportation, and all such equipment shall be maintained in sound mechanical condition. All equipment must be open to examination by authorized School personnel during normal working hours.

5. School agrees to pay Beck Bus at the rate of \$30,833.33 per month, payable in nine (9) monthly payments beginning in September, 2010 for School Year 2010-2011, for regular home to school charges. School agrees to pay Beck Bus at the rate of \$1,277.78 per month, payable in nine (9) monthly payments beginning in September, 2010 for School Year 2010-2011, for special education Pre-K transportation services. For extra-curricular transportation (athletics, field trips, etc.), School agrees to pay Beck bus at the rate of 75 cents per mile and \$14.00 per hour, or a minimum per trip of \$42.50, whichever is greater, for School Year 2010-2011.

School agrees to pay Beck Bus at the rate of \$31,600.00 per month, payable in nine (9) monthly payments beginning in September, 2011 for School Year 2011-2012, for regular home to school charges. School agrees to pay Beck Bus at the rate of

\$1,311.11 per month, payable in nine (9) monthly payments beginning in September, 2011 for School Year 2011-2012, for special education Pre-K transportation services. For extra-curricular transportation (athletics, field trips, etc.), School agrees to pay Beck Bus at the rate of 77 cents per mile and \$14.35 per hour, or a minimum per trip of \$43.50, whichever is greater, for School Year 2011-2012.

School agrees to pay Beck Bus at the rate of \$32,388.89 per month, payable in nine (9) monthly payments beginning in September, 2012 for regular home to school charges. School agrees to pay Beck Bus at the rate of \$1,344.44 per month, payable in nine (9) monthly payments beginning in September, 2012 for School Year 2012-2013, for special education Pre-K transportation services. For extra-curricular transportation (athletics, field trips, etc.), School Agrees to pay Beck Bus at the rate of 79 cents per mile and \$14.70 per hour, or a minimum per trip of \$44.50, whichever is greater, for School Year 2012-2013.

6. It is to be understood that decisions on disciplinary problems, suspensions or expulsions will rest with School authorities. The bus driver is responsible only for discipline required to operate the bus safely; beyond that point, he/she should ask for assistance from the School authorities. Further administrative procedures and regulations will be established cooperatively between the School and Beck Bus. The School agrees that they will assist Beck Bus in recouping all vandalism expenses.

7. In the event that Beck Bus is unable to provide transportation services as previously described due to the acts of God, fire, riot, war, picketing, civil commotion, strikes, labor disputes or any other cause beyond Beck Bus's control, the School shall excuse Beck Bus from performing said transportation services and shall have the right to assume control over the operation of such buses which Beck Bus is prevented from operating until such time as Beck Bus is again able to resume operations. During any such period of time, the School shall pay to Beck Bus amounts otherwise due Beck Bus after deducting all costs and expenses reasonably incurred by the School in operating the buses.

8. During the entire term of this agreement, Beck Bus shall comply in every respect with all laws, rules and regulations of the State of Illinois affecting or regulating the transportation of school children, including but not limited to the Motor Vehicle Code and The School Code of Illinois, and the rules promulgated by the Illinois State Board of Education and Department of Transportation.

9. This agreement shall be effective July 1, 2010 and shall continue in force and effect through the 2012-2013 school year. The School shall conduct an annual review of this agreement beginning with school year 2012-2013 and shall have the option of extending the time and duration of this agreement subject to negotiation with Beck Bus. Any such extensions may not exceed two successive years.

10. All charges for transportation services will be billed on a monthly basis (except as may be provided to the contrary elsewhere herein) with charges to be received by the 1st day of each month. Payment for these charges will be issued, after approval of the Board of Education. Monthly charges will be itemized to include home to school charges (billed and paid in substantially equal installments), regular scheduled extracurricular and extra activities not previously scheduled.

11. Beck Bus agrees at his sole expense, to procure and keep in force during the entire period of this agreement, comprehensive automobile liability insurance with a contractual liability endorsement; public liability insurance and property damage insurance protecting the school district, the Board of Education and its members, Beck Bus, bus drivers, and other related personnel in the following minimum sums. All policies are to be issued by companies with an " A " or better rating in the current addition of Best's Key Rating Guide or Standard & Poors with a rating of AAA.

LIABILITY AND PHYSICAL DAMAGE INSURANCE

*LIMITS: Bodily Injury Liability & Property Damage Liability.. \$1,000,000~ Combined Single limit
Medical Payments..... \$ 10,000 Each Person
Uninsured Motorists..... \$ 100,000 Each Person
\$300,000 Each Accident*

UMBRELLA: Limit of Liability... \$30,000,000 Each Occurrence... \$30,000,000 Aggregate

Contractor further agrees to provide workmen's compensation insurance covering all operations in connection with the performance of this contract by law.

The School shall be named as additional insureds on the policy. A certificate to this effect shall be provided to the School. The insurance company used must be licensed by the State of Illinois. All policies of insurance shall carry an endorsement to the effect that they cannot be modified or fail renewal without prior written notice by certified or registered mail. No policy shall reserve or permit any right of subrogation. Beck Bus agrees to indemnify, hold harmless and defend employees, students, teachers, and agents thereof against all damages, loss, cost, expense, and attorneys' fees, in any manner caused by, arising from, incident to, connected with or growing out of the operation of the buses under this contract, except for the acts or omissions of the Board of Education or its representatives.

12. Regular routes are not to be scheduled to exceed one hour at any time (as measured from the time of the first pickup to the time of deposit, or if on the return run, from the school to the last deposit). Any increase in the number of routes provided shall be agreed upon by both the School and Beck Bus, and will be subject to negotiation as regards to the cost and reimbursement if the District requests an additional route / routes beyond the scope of the bid specifications. All schedules shall be operated keeping the safety of the school children as the primary concern and to deliver students within a reasonable time prior to the opening of the various schools, and so as to return them to their respective bus stops within a reasonable time after the close of the school day. All time schedules are subject to approval by School administrators and Beck Bus. Beck Bus shall cooperate with the community and news media so that any pertinent items affecting the transportation program or the patrons of the school district can be brought to the attention of the public.

13. The responsibility for hiring and discharging personnel in respect to all of the foregoing shall rest entirely upon Beck Bus, and Beck Bus agrees that it shall not enter into any agreement or arrangement with any employee, person, group or organization which will in any way interfere with Beck Bus's ability to comply with this requirement. Beck Bus shall furnish to the School the following information relative to each driver that will be used in the performance of this contract and be responsible for keeping such information current:

- a. Last Name, First Name, & middle initial of each driver.
- b. Driver's permit and license number.

- c. Regular route number and regular bus number assigned.

All drivers are subject to the current state and federal laws and regulations pertaining to the operation of school buses and to any regulations set forth by the School. The school shall have the right to refuse any driver without cause, from driving for the School, by supplying in writing, a request for denial of driving privileges.

14. Beck Bus shall have a manager in charge of the performance of this contract, and said manager must reside within the school district. Beck Bus shall furnish the School with the name and address of such manager and state that such manager shall have complete authority with respect to all matters relating to the performance of this contract, including matters pertaining to personnel and the changes and substitutions thereof, adherence to and changes in scheduling and the keeping of records required under the terms of this contract.

15. This contract may not be assigned or any part of the same subcontracted without the written consent of the School, and in no case shall such consent relieve Beck Bus from its obligations, or change the terms of the contract. The School District may cancel this multi-year contract upon 60 day notice prior to the anniversary date of the contract.

16. The School reserves the right to use other transportation services for field trips, shuttle runs, athletic activities, out-of-district transportation and other purposes.

17. Contractor shall provide no less than one (1) bus monitor / aide for said mid-day pre-kindergarten route at Contractor's expense.

18. Contractor shall equip all buses in the fleet with digital video recording equipment. The equipment shall consist of one (1) video camera per bus mounted at the front of the bus and showing a front to back wide angle view of the interior of the bus. The video recording equipment shall be capable of retaining video recordings for not less than seven (7) calendar days. Contractor shall provide the requisite computer software and training thereupon to two (2) building principals, District Superintendent, or their designees (not to exceed three (3) individuals) prior to the first day of school in the 2010 – 2011 school year. Contractor shall not violate the Illinois Student Records Act (105 ILCS 10/1, et seq.) It shall be the responsibility of District, through its administrators, to view recordings, if necessary.

19. Contractor shall provide District with route maps at the time routes are proposed annually.

20. Regular routes shall not be scheduled to exceed one (1) hour at any time.

21. Safety Program: In addition to the safety requirements of the state and federal laws and regulations, Contractor shall cooperate with District to develop an in-service safety program relative to the rendering of all facets of transportation service under this contract. As part of the in-service safety program, a qualified driver / supervisor (employed by Contractor) shall ride with every driver (including substitute drivers) at least once (either AM or PM route) each semester and evaluate the performance of the driver. Documentation of these check rides shall be made available in a timely manner to the District upon request.

22. Fuel Surcharge: If Contractor's verified price for diesel fuel purchased to fulfill the terms of this contract at any time exceeds \$2.50 per gallon, Contractor shall

charge District and District shall pay to Contractor an amount equal to (the number of gallons purchased times the amount by which the purchase price exceeds \$2.50 per gallon). If Contractor's verified price for diesel fuel purchased to fulfill the terms of this contract at any time is less than \$2.50 per gallon, Contractor shall refund to District an amount equal to (the number of gallons purchased times the amount by which the purchase price is less than \$2.50 per gallon). The fuel surcharge adjustments described in this paragraph shall be supported by time of purchase vouchers. Billings from Contractor to District and refunds to District from Contractor pursuant hereto shall be completed by not later than June 10 each year.

23. Performance Bond: Contractor shall provide a one hundred percent (100%) performance bond annually during the term of the contract, the cost of which shall be borne by Contractor.

24. Agreement governed by Illinois Law: The final transportation contract contemplated herein shall be executed in Illinois and shall be governed in accordance with the laws of the State of Illinois in every respect.

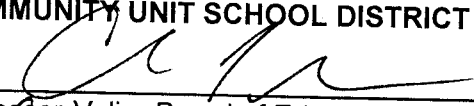
25. Survival of Contract: The final transportation contract contemplated herein shall be binding upon the parties thereto, their successors and assigns.

26. Savings Clause: If any portion of the final transportation contract contemplated herein is deemed to be illegal or unenforceable, the remainder thereof shall remain in full force and effect.

27. The provisions of this agreement shall be binding upon and inure to the benefit of the School and successors in office of the present members thereof, and be binding upon and inure to the benefit of Beck Bus and its successors and assigns. The terms of the bid specifications are made a part hereof.

28. The bid specifications under which this contract was awarded and which are attached hereto and incorporated into this contract by reference were material to the award of this contract. Beck Bus agrees to comply with the bid specifications in every respect in its performance of this contract. In any case wherein the bid specifications and this contract shall appear to be incongruous of where they appear to disagree as to interpretation, the bid specifications shall control.

**BOARD OF EDUCATION OF SESSER-VALIER
COMMUNITY UNIT SCHOOL DISTRICT No. 196**

By: 
(Sessler-Valier Board of Education President)

ATTEST: Roger Nicks Date: March 8, 2010

BECK BUS TRANSPORTATION CORPORATION

By: 

ATTEST:  Date: 3-18-10